



**LACERS**  
LA CITY EMPLOYEES'  
RETIREMENT SYSTEM



## *Board of Administration Agenda*

### **REGULAR MEETING**

**TUESDAY, JANUARY 10, 2023**

**TIME: 10:00 A.M.**

### **MEETING LOCATION:**

In accordance with Government Code Section 54953, subsections (e)(1) and (e)(3), and in light of the State of Emergency proclaimed by the Governor on March 4, 2020 relating to COVID-19 and ongoing concerns that meeting in person would present imminent risks to the health or safety of attendees and/or that the State of Emergency continues to directly impact the ability of members to meet safely in person, the LACERS Board of Administration's January 10, 2023 meeting will be conducted via telephone and/or videoconferencing.

#### **Important Message to the Public**

**Information to call-in to listen and or participate:**

**Dial:** (669) 254-5252 or (669) 216-1590

**Meeting ID#** 161 526 9275

#### **Instructions for call-in participants:**

- 1- Dial in and enter Meeting ID
- 2- Automatically enter virtual "Waiting Room"
- 3- Automatically enter Meeting
- 4- During Public Comment, **press \*9** to raise hand
- 5- Staff will call out the last 3-digits of your phone number to make your comment

**Information to listen only:** Live Board Meetings can be heard at: (213) 621-CITY (Metro), (818) 904-9450 (Valley), (310) 471-CITY (Westside), and (310) 547-CITY (San Pedro Area).

President: Nilza R. Serrano

Vice President: Elizabeth Lee

Commissioners: Annie Chao  
Thuy Huynh  
Janna Sidley  
Sung Won Sohn  
Michael R. Wilkinson

Manager-Secretary: Neil M. Guglielmo

Executive Assistant: Ani Ghokassian

Legal Counsel: City Attorney's Office  
Public Pensions General  
Counsel Division

#### **LACERS Website Address/link:**

[www.LACERS.org](http://www.LACERS.org)

#### **Notice to Paid Representatives**

If you are compensated to monitor, attend, or speak at this meeting, City law may require you to register as a lobbyist and report your activity. See Los Angeles Municipal Code §§ 48.01 *et seq.* More information is available at [ethics.lacity.org/lobbying](http://ethics.lacity.org/lobbying). For assistance, please contact the Ethics Commission at (213) 978-1960 or [ethics.commission@lacity.org](mailto:ethics.commission@lacity.org).

#### **Request for Services**

As a covered entity under Title II of the Americans with Disabilities Act, the City of Los Angeles does not discriminate on the basis of disability and, upon request, will provide reasonable accommodation to ensure equal access to its programs, services and activities.

Sign Language Interpreters, Communication Access Real-Time Transcription, Assistive Listening Devices, Telecommunication Relay Services (TRS), or other auxiliary aids and/or services may be provided upon request. To ensure availability, you are advised to make your request at least 72 hours prior to the meeting you wish to attend. Due to difficulties in securing Sign Language Interpreters, **five** or more business days' notice is strongly recommended. For additional information, please contact: Board of Administration Office at (213) 855-9348 and/or email at [ani.ghokassian@lacers.org](mailto:ani.ghokassian@lacers.org).

#### **Disclaimer to Participants**

Please be advised that all LACERS Board and Committee Meeting proceedings are audio recorded.

- I. PUBLIC COMMENTS AND GENERAL PUBLIC COMMENTS ON MATTERS WITHIN THE BOARD'S JURISDICTION AND COMMENTS ON ANY SPECIFIC MATTERS ON THE AGENDA – *THIS WILL BE THE ONLY OPPORTUNITY FOR PUBLIC COMMENT - PRESS \*9 TO RAISE HAND DURING PUBLIC COMMENT PERIOD*
- II. BOARD PRESIDENT VERBAL REPORT
- III. GENERAL MANAGER VERBAL REPORT
  - A. REPORT ON DEPARTMENT OPERATIONS
  - B. UPCOMING AGENDA ITEMS
- IV. RECEIVE AND FILE ITEMS
  - A. [ETHICAL CONTRACT COMPLIANCE REPORT NOTIFICATION TO THE BOARD](#)
  - B. [BENEFITS PAYMENTS APPROVED BY GENERAL MANAGER](#)
  - C. [MONTHLY REPORT ON SEMINARS AND CONFERENCES FOR NOVEMBER 2022](#)
- V. COMMITTEE REPORT(S)
  - A. INVESTMENT COMMITTEE VERBAL REPORT FOR THE MEETING ON DECEMBER 13, 2022
- VI. CONSENT ITEM(S)
  - A. APPROVAL OF MINUTES FOR THE REGULAR MEETINGS OF [NOVEMBER 22, 2022](#) AND [DECEMBER 13, 2022](#) AND POSSIBLE BOARD ACTION
  - B. [FINDINGS TO CONTINUE TELECONFERENCE MEETINGS AND DETERMINATION THAT COVID-19 STATE OF EMERGENCY CONTINUES TO DIRECTLY IMPACT THE ABILITY OF MEMBERS TO MEET SAFELY IN PERSON AND POSSIBLE BOARD ACTION](#)
- VII. BOARD/DEPARTMENT ADMINISTRATION
  - A. [EXTEND CONTRACT WITH MOSS ADAMS LLP \(MOSS ADAMS\) FOR ONE YEAR AND AMEND CONTRACT'S SCOPE OF SERVICES TO INCLUDE THE ANNUAL FINANCIAL AUDIT OF 977 BUILDING OPERATIONS AND POSSIBLE BOARD ACTION](#)
  - B. [TRIENNIAL BOARD POLICY REVIEW: SECTION 2.0 GOVERNING STATUTES AND POSSIBLE BOARD ACTION](#)
- VIII. INVESTMENTS

- A. CHIEF INVESTMENT OFFICER VERBAL REPORT INCLUDING DISCUSSION ON THE PORTFOLIO EXPOSURE TO GLOBAL EVENTS
- B. [PRESENTATION BY AKSIA CA LLC OF THE PRIVATE EQUITY PORTFOLIO PERFORMANCE REVIEW FOR THE PERIOD ENDING JUNE 30, 2022](#)
- C. [CONTRACT WITH INSTITUTIONAL SHAREHOLDER SERVICES INC. REGARDING PROXY VOTING SERVICES AND POSSIBLE BOARD ACTION](#)
- D. **CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54956.81 TO CONSIDER A COMMITMENT TO NB PARTNERS FUND IV, LP AND POSSIBLE BOARD ACTION**

IX. OTHER BUSINESS

- X. NEXT MEETING: The next Regular meeting of the Board is scheduled for Tuesday, January 24, 2023 at 10:00 a.m. at LACERS, 202 West 1<sup>st</sup> Street, Suite 500, Los Angeles, CA 90012, and/or via telephone and/or videoconferencing. Please continue to view the LACERS website for updated information on public access to Board meetings while response to public health concerns relating to the novel coronavirus continue.

XI. ADJOURNMENT

**LACERS' ETHICAL CONTRACT COMPLIANCE REPORT  
NOTIFICATION TO THE BOARD**

**RESTRICTED SOURCES**

The Board's Ethical Contract Compliance Policy was adopted in order to prevent and avoid the appearance of undue influence on the Board or any of its Members in the award of investment-related and other service contracts. Pursuant to this Policy, this notification procedure has been developed to ensure that Board Members and staff are regularly apprised of firms for which there shall be no direct marketing discussions about the contract or the process to award it; or for contracts in consideration of renewal, no discussions regarding the renewal of the existing contract.

<b>Name</b>	<b>Description</b>	<b>Inception</b>	<b>Expiration</b>	<b>Division</b>
Bleichmar Fonti & Auld LLP	Securities Monitoring/Litigation Counsel	N/A	N/A	City Attorneys
Robbins Geller Rudman & Dowd LLP	Securities Monitoring/Litigation Counsel	N/A	N/A	City Attorneys
Anthem	Medical HMO & PPO	January 1, 2023	December 31, 2023	Health, Wellness, & Buyback
Kaiser	Medical HMO	January 1, 2023	December 31, 2023	Health, Wellness, & Buyback
SCAN	Medical HMO	January 1, 2023	December 31, 2023	Health, Wellness, & Buyback
United Healthcare	Medical HMO	January 1, 2023	December 31, 2023	Health, Wellness, & Buyback
Delta Dental	Dental PPO and HMO	January 1, 2023	December 31, 2023	Health, Wellness, & Buyback
Anthem Blue View Vision	Vision Services Contract	January 1, 2023	December 31, 2023	Health, Wellness, & Buyback
Personal Wellness Corporation	Fitness Webinar Coaching & Training Services	January 1, 2023	December 31, 2023	Health, Wellness, & Buyback

**LACERS' ETHICAL CONTRACT COMPLIANCE REPORT  
NOTIFICATION TO THE BOARD**

<b>Name</b>	<b>Description</b>	<b>Inception</b>	<b>Expiration</b>	<b>Division</b>
Moss Adams	External Auditing Consulting Services	July 1, 2020	June 30, 2023	Internal Audit
Townsend Holdings LLC	Real Estate Consulting Services	N/A	N/A	Investments
BlackRock Institutional Trust Company, N.A.	Multi Passive Index Portfolio Management	November 1, 2022	October 31, 2027	Investments
RhumbLine Advisers Limited Partnership	Multi Passive Index Portfolio Management	November 1, 2022	October 31, 2027	Investments
State Street Global Advisors Trust Company	Multi Passive Index Portfolio Management	November 1, 2022	October 31, 2027	Investments
Aksia LLC	Private Credit Consultant	January 1, 2023	December 31, 2026	Investments
Box, Inc.	Retirement Application Portal Custom Consulting Services	December 1, 2021	November 30, 2022	Systems

**LACERS' ETHICAL CONTRACT COMPLIANCE REPORT  
NOTIFICATION TO THE BOARD**

**ACTIVE RFPs**

<b>Description</b>	<b>Respondents</b>	<b>Inception</b>	<b>Expiration</b>	<b>Division</b>
Mixed Media Diversity, Equity, & Inclusion Fellowship Programming	deepSEE Consulting, Experience Institute, LLC, Peace in Action, LLC, Upper Diamond	October 27, 2022	December 2, 2022	Administration

BENEFIT PAYMENTS APPROVED BY GENERAL MANAGER: ITEM IV-B

Pursuant to the authority delegated to the General Manager under Board Rule GMA 1, General Manager Authorization, adopted by the Board of Administration on June 14, 2016, the following benefit payments have been approved by the General Manager:

SERVICE RETIREMENTS

<u>Member Name</u>	<u>Service</u>	<u>Department</u>	<u>Classification</u>
Estrada, Yolanda Martinez	38	City Attorney's Office	Pr Clerk City Atty
Denton, Michael L	37	Dept. of Rec. & Parks	Sr Gardener
Pastran, Edward Alex	37	Dept. of Airports	Sr Plumber
Almozara, Zenia R	37	City Attorney's Office	Pr Clerk City Atty
Shepperd, Linda S	36	Police Dept.	Sr Police Serv Rep
Zelaya, Alicia Palomino	36	Police Dept.	Administrative Clerk
Banh, Hung Chi	35	Police Dept.	Sr Administrative Clerk
Waters, Emily J	35	Dept. of Airports	Airport Police Ofcr
Hadley, James Albert	35	PW - Sanitation	Plumber
Allen, Latonya Y	34	Dept. of Transportation	Sr Traffic Supv
Watson, Anthony L	33	PW - Sanitation	Ref Coll Truck Oper
Ma, Shiu K	32	PW - Contract Administration	Sr Constr Inspector
Askew, Lynette Jewell	32	Police Dept.	Police Service Rep
Porter, Doris Mary	22	Dept. of Bldg. & Safety	Administrative Clerk
Pineda, Restituto Yumul	22	GSD	Parking Attendant
Villa, Bernardino H	21	PW - Special Proj Constr	Cement Finisher
Mikell, Johnnie Edward	20	Dept. of Airports	Sr Security Officer
Taylor, Pierre P	14	Dept. of Airports	Security Officer
Morgan, Carl E	14	Dept. of Airports	Trans Planning Assoc
Crawford, Kevin K	12	ITA	Asst Gm Inform Tech Dpt
Lowenthal, Daniel J	11	City Attorney's Office	Deputy City Attorney
Leung, Dora M	10	PW - Accounting	Accountant
Donahue, Angela	10	Police Dept.	Police Psychologist
Hagan, Kenneth	9	PW - Sanitation	Custodian
Sanders, Angeline	8	Dept. of Transportation	Crossing Guard
Justin, Isabel A	8	Dept. of Rec. & Parks	Recreation Asst
Guisar, Gemma	7	Dept. of Rec. & Parks	Special Prog Asst
Gannon, Patrick M	6	Dept. of Airports	Dir Of Airprts Sfty Ofc
Thenarse, La Verne	5	Dept. of Rec. & Parks	Recreation Asst
Beck, Nina M	4	Library Dept.	Messenger Clerk
Reed, Bernice L	4	Dept. of Transportation	Crossing Guard
Herrera, Christine	3	Office of Finance	Dir Cash Mgmt Services
De Lamora, Donaciano De La Mora	3	Dept. of Rec. & Parks	Special Prog Asst

Alvarez, Jose Antonio  
Reyes, Jose V

1.6 Dept. of Rec. & Parks  
1.4 Dept. of Rec. & Parks

Special Prog Asst  
Special Prog Asst

## BENEFIT PAYMENTS APPROVED BY GENERAL MANAGER: ITEM V-B

Pursuant to the authority delegated to the General Manager under Board Rule GMA 1, General Manager Authorization, adopted by the Board of Administration on June 14, 2016, the following benefit payments have been approved by the General Manager:

### Approved Death Benefit Payments

#### Deceased

#### **TIER 1**

Allen, Rubin E

#### Beneficiary/Payee

Sherley Marie Allen for the payment of the  
Accrued But Unpaid Service Retirement Allowance  
Burial Allowance

Baeza, Helen

Margaret Biddle for the payment of the  
Accrued But Unpaid Continuance Allowance

Black, Ronald J

Natalie L Murphy for the payment of the  
Accrued But Unpaid Service Retirement Allowance  
Burial Allowance

Borders, Sandra L

John A Borders for the payment of the  
Accrued But Unpaid Service Retirement Allowance  
Burial Allowance

Claiborne, Wilford

Sharon Pullard for the payment of the  
Accrued But Unpaid Service Retirement Allowance  
Burial Allowance

Cofield, Anita L

Edward Earl Denton for the payment of the  
Accrued But Unpaid Continuance Allowance

Collins, Sandra K	Noel E Collins for the payment of the Accrued But Unpaid Disability Retirement Allowance Burial Allowance
Croudy, Ronald L	Ronald L Croudy for the payment of the Burial Allowance
Evans, Diann	Michael Ray Mcduff for the payment of the Accrued But Unpaid Disability Retirement Allowance Burial Allowance
Evans, Joyce Marie	Leroy Charles Malone for the payment of the Accrued But Unpaid Service Retirement Allowance Burial Allowance
Feng, Chin H	An Ping Feng for the payment of the Accrued But Unpaid Service Retirement Allowance Burial Allowance
Fisher, Don E	Tim Fisher for the payment of the Accrued But Unpaid Service Retirement Allowance Burial Allowance
Gaffney, Mary J	Terence R Gaffney for the payment of the Accrued But Unpaid Service Retirement Allowance

Gonzalez, Everardo	Margarita C Gonzalez for the payment of the Accrued But Unpaid Service Retirement Allowance Burial Allowance
Grant, Robin	Michael D Grant for the payment of the Accrued But Unpaid Disability Retirement Allowance Burial Allowance
Gusto, Anita C	Socrates C Gusto for the payment of the Accrued But Unpaid Continuance Allowance
Hardy, Willie E	Jennafer Hardy, Guardian for the minor child for the payment of the Accrued But Unpaid Continuance Allowance
Harris, Richard B	Paula E Harris for the payment of the Accrued But Unpaid Service Retirement Allowance Burial Allowance
Hepburn, Walter J	Frances G Hepburn for the payment of the Accrued But Unpaid Service Retirement Allowance Burial Allowance
Holland, Calvin	Valencia D Stagg for the payment of the Accrued But Unpaid Continuance Allowance

Humphrey, James Lloyd	Elfriede F Humphrey for the payment of the Accrued But Unpaid Service Retirement Allowance Burial Allowance
Itomura, Richard G	Kathryn K Itomura for the payment of the Accrued But Unpaid Larger Annuity Allowance Accrued But Unpaid Service Retirement Allowance Burial Allowance
Jones, Thomas L	Sharyn D Jones for the payment of the Accrued But Unpaid Service Retirement Allowance
Kametani, David N	Karen K Kametani for the payment of the Accrued But Unpaid Service Retirement Allowance Burial Allowance
King, Leslie E.	Dustin King for the payment of the DRO Lump Sum
Knox, Balinda Maria	Andre William Mahone for the payment of the Accrued But Unpaid Service Retirement Allowance Burial Allowance
Kramer, Albert G	Andrea Lynn Dunigan for the payment of the Burial Allowance Unused Contributions
Kuwahara, Buddy H	Lily Y Kuwahara for the payment of the Accrued But Unpaid Service Retirement Allowance Burial Allowance

Levi, Herbert A	Herbert & Virginia Levi Revocable Trust for the payment of the Accrued But Unpaid Vested Retirement Allowance Burial Allowance
Link, Yvonne K	Danielle R Varozza for the payment of the Accrued But Unpaid Service Retirement Allowance Burial Allowance
Lopez, Patricia Anne	Jesus T Lopez for the payment of the Accrued But Unpaid Service Retirement Allowance Burial Allowance
Lowe, Troy	Lola Marie Lowe for the payment of the Accrued But Unpaid Service Retirement Allowance Burial Allowance
Luminarias, Eutiq C	Dulce V Luminarias for the payment of the Accrued But Unpaid Larger Annuity Allowance Accrued But Unpaid Service Retirement Allowance Burial Allowance
Marinkovich, Violet F	Frances Poole for the payment of the Accrued But Unpaid Service Retirement Allowance  Michael Marinkovich for the payment of the Accrued But Unpaid Service Retirement Allowance Burial Allowance
Masters, Lee C	Valree Copeland Masters for the payment of the Accrued But Unpaid Service Retirement Allowance Burial Allowance

Matsumura, Wakatsu	Yasuko S Matsumura for the payment of the Accrued But Unpaid Service Retirement Allowance Burial Allowance
Mims, Leon	Jeanne P Mims for the payment of the Accrued But Unpaid Vested Retirement Allowance
Miramontes, Socorro	Noemi M Nakano for the payment of the Accrued But Unpaid Continuance Allowance
Mixon, Katherine Angel	Kenneth J Mixon for the payment of the Accrued But Unpaid Service Retirement Allowance Burial Allowance
Morrow, Katie A	Clarence Brown for the payment of the Accrued But Unpaid Continuance Allowance
Munoz, Manuel J	Denisse Ortiz for the payment of the Accrued But Unpaid Service Retirement Allowance Burial Allowance Unused Contributions
Orland, Phillip	Penny W Orland for the payment of the Accrued But Unpaid Service Retirement Allowance Burial Allowance

Patitucci, Ronald C	Candice L Patitucci for the payment of the Accrued But Unpaid Service Retirement Allowance Burial Allowance
Persley, Mary L	Mildred Persley for the payment of the Accrued But Unpaid Continuance Allowance
Pira, Giuseppe	Antonietta Pira for the payment of the Accrued But Unpaid Service Retirement Allowance Burial Allowance
Price, Phyllis E	James B. Price for the payment of the Accrued But Unpaid Continuance Allowance
Reyes, Elizabeth	Elizabeth A Townsend for the payment of the Accrued But Unpaid Service Retirement Allowance Burial Allowance
Rodriguez, Ronnie	Diana Maria Rodriguez for the payment of the Accrued But Unpaid Service Retirement Allowance Burial Allowance
Romero, Henry	Henry Romero for the payment of the Accrued But Unpaid Service Retirement Allowance Burial Allowance

Salonga, Maria Daclan	Armando Reyes Salonga for the payment of the Accrued But Unpaid Service Retirement Allowance Burial Allowance
Sanghvi, Rohit H	Prafulla R Sanghvi for the payment of the Accrued But Unpaid Service Retirement Allowance Burial Allowance
Sarpy, Edna M	Wayne M Sarpy for the payment of the Accrued But Unpaid Continuance Allowance
Scherb, Eva M	Ann N Scherb for the payment of the Burial Allowance  Linda K Villatoro for the payment of the Burial Allowance
Sharrett, Betty A	Betty Ann Nygren Revocable Trust for the payment of the Accrued But Unpaid Continuance Allowance
Sifuentes, Ricardo	Raymond Sifuentes for the payment of the Accrued But Unpaid Vested Retirement Allowance Burial Allowance
Snodgrass, Jack Dennis	Esther Georgia Snodgrass for the payment of the Accrued But Unpaid Service Retirement Allowance Burial Allowance

Theus, Gipson L	Andre Theus for the payment of the Burial Allowance
Velarde, Frank M	Susan M Velarde for the payment of the Accrued But Unpaid Service Retirement Allowance Burial Allowance
Washington, Edward	Edith K Washington for the payment of the Accrued But Unpaid Service Retirement Allowance Burial Allowance
Weiser, John K	Hanna Amali Cox for the payment of the Accrued But Unpaid Service Retirement Allowance
Whelan, Thomas P	Patricia Whelan Sanders for the payment of the Accrued But Unpaid Continuance Allowance Accrued But Unpaid Service Retirement Allowance Burial Allowance Unused Contributions
Williams, Barbara	Robbye V Williams for the payment of the Accrued But Unpaid Continuance Allowance

**TIER 3**  
**None**

## BENEFIT PAYMENTS APPROVED BY GENERAL MANAGER: ITEM V-B

Pursuant to the authority delegated to the General Manager under Board Rule GMA 1, General Manager Authorization, adopted by the Board of Administration on June 14, 2016, the following benefit payments have been approved by the General Manager:

### Approved Death Benefit Payments

#### Deceased

#### **TIER 1**

#### Active

Arrellin, Enrique S  
(Deceased Active)

#### Beneficiary/Payee

Enrique Arrellin for the payment of the  
Accumulated Contributions

Pamela Arrellin for the payment of the  
Accumulated Contributions

Cross, Stephen  
(Deceased Active)

Roxana Cross for the payment of the  
Disability Retirement Survivorship Allowance

Dempsey, Michael S  
(Deceased Active)

Janet Fletcher-Dempsey for the payment of the  
Vested Retirement Survivorship Allowance

Gordon Jr, Howard  
(Deceased Active)

Alasia Nicole Gordon for the payment of the  
Accumulated Contributions  
Limited Pension

Hickman, Francine  
(Deceased Active)

Johnny Hickman for the payment of the  
Accumulated Contributions

Payne, Kyle  
(Deceased Active)

Cathie Marie Ray-Payne for the payment of the  
Service Retirement Survivorship Allowance

Rasmussen, Michael A  
(Deceased Active)

Jeannine O'Neil for the payment of the  
Accumulated Contributions

Wilson, Joyce Kittel  
(Deceased Active)

Angela Lynn Jones for the payment of the  
Accumulated Contributions

Douglas Wilson for the payment of the  
Accumulated Contributions

**TIER 3**  
**Active**

White, Theodore Roosevelt  
(Deceased Active)

Joy O Conley, Guardian for the minor child  
for the payment of the  
Accumulated Contributions

Disclaimer: The names of members who are deceased may appear more than once due to multiple beneficiaries being paid at different times.

Agenda of: JAN. 10, 2023

Item No: IV-C

**MONTHLY REPORT ON SEMINARS AND CONFERENCES  
ATTENDED BY BOARD MEMBERS ON BEHALF OF LACERS  
(FOR THE MONTH OF NOVEMBER 2022)**

In accordance with Section V.H.2 of the approved Board Education and Travel Policy, Board Members are required to report to the Board, on a monthly basis at the last Board meeting of each month, seminars and conferences they attended as a LACERS representative or in the capacity of a LACERS Board Member which are either complimentary (no cost involved) or with expenses fully covered by the Board Member. This monthly report shall include all seminars and conferences attended during the 4-week period preceding the Board meeting wherein the report is to be presented.

**BOARD MEMBERS:**

President Nilza R. Serrano  
Vice President Elizabeth Lee

Commissioner Annie Chao  
Commissioner Thuy Huynh  
Commissioner Janna Sidley  
Commissioner Sung Won Sohn  
Commissioner Michael R. Wilkinson

DATE(S) OF EVENT	SEMINAR / CONFERENCE TITLE	EVENT SPONSOR (ORGANIZATION)	LOCATION (CITY, STATE)
	NOTHING TO REPORT		

MINUTES OF THE REGULAR MEETING  
**BOARD OF ADMINISTRATION**  
LOS ANGELES CITY EMPLOYEES' RETIREMENT SYSTEM

In accordance with Government Code Section 54953, subsections (e)(1) and (e)(3), and in light of the State of Emergency proclaimed by the Governor on March 4, 2020 relating to COVID-19 and ongoing concerns that meeting in person would present imminent risks to the health or safety of attendees and/or that the State of Emergency continues to directly impact the ability of members to meet safely in person, the LACERS Board of Administration's November 22, 2022 meeting will be conducted via telephone and/or videoconferencing.

November 22, 2022

10:00 a.m.

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PRESENT via Videoconferencing:	President:	Nilza R. Serrano
	Vice President:	Elizabeth Lee
	Commissioners:	Annie Chao Thuy Huynh Janna Sidley Sung Won Sohn Michael R. Wilkinson
	Legal Counselor:	Joshua Geller
	Manager-Secretary:	Neil M. Guglielmo
	Executive Assistant:	Ani Ghoukassian

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*The Items in the Minutes are numbered to correspond with the Agenda.*

I

PUBLIC COMMENTS AND GENERAL PUBLIC COMMENTS ON MATTERS WITHIN THE BOARD'S JURISDICTION AND COMMENTS ON ANY SPECIFIC MATTERS ON THE AGENDA – *THIS WILL BE THE ONLY OPPORTUNITY FOR PUBLIC COMMENT* – **PRESS \*9 TO RAISE HAND DURING PUBLIC COMMENT PERIOD** – President Serrano asked if any persons wanted to make a general public comment to which there were two responses. The first caller was Bianca Tylek, Director of Worth Rises, a non-profit. Bianca Tylek discussed LACERS investment in Platinum Equity Partners VI. The second caller was Valentina Dabos, with Private Equity Stakeholder Project. Valentina Dabos discussed LACERS investment in Platinum Equity Partners VI.

II

BOARD PRESIDENT VERBAL REPORT – President Serrano thanked staff and consultants that organized the Emerging Manager Symposium held on November 16, 2022.

### III

#### GENERAL MANAGER VERBAL REPORT

- A. REPORT ON DEPARTMENT OPERATIONS – Neil M. Guglielmo, General Manager, advised the Board of the following items:
- Staff promotion of Edwin Avanesian as new Chief Management Analyst
  - Covid cases rising, LACERS encouraging to be safe in social settings
  - Transition of Elected Officials
  - LACERS HQ status updates
  - Retirement Services Division update
  - Health Benefits Administration updates
  - Member Services updates
  - Upcoming events
- B. UPCOMING AGENDA ITEMS – No items were discussed.

*Item IX-A taken out of order.*

President Serrano recessed the Regular Meeting at 10:20 a.m. to convene in Closed Session discussion.

### IX

**A. CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54957(b) TO CONSIDER THE DISABILITY RETIREMENT APPLICATION OF SHELLIE COOKE AND POSSIBLE BOARD ACTION**

President Serrano reconvened the Regular Meeting at 10:26 a.m., and announced that the Board unanimously approved the Disability Retirement Application of Shellie Cooke.

### IV

#### RECEIVE AND FILE ITEMS

- A. MONTHLY REPORT ON SEMINARS AND CONFERENCES FOR OCTOBER 2022 – This report was received by the Board and filed.

### V

#### COMMITTEE REPORT(S)

- A. INVESTMENT COMMITTEE VERBAL REPORT FOR THE MEETING ON NOVEMBER 8, 2022 – Vice President Lee stated the Committee approved the Private Equity Program 2023 Strategic Plan and the Investment Manager Contract with Axiom Investors, LLC. She stated that the Committee was provided with a presentation from Polen Capital Credit, LLC on the management of an active hybrid high yield fixed income/U.S. floating rate bank loan portfolio.

VI

CONSENT ITEM(S)

Vice President Lee moved approval of Consent Agenda Items VI-A and VI-B, seconded by Commissioner Chao, and adopted by the following vote: Ayes, Commissioners Chao, Huynh, Sidley, Sohn, Wilkinson, Vice President Lee, and President Serrano -7; Nays, None.

- A. APPROVAL OF MINUTES FOR THE REGULAR MEETING ON OCTOBER 25, 2022 AND POSSIBLE BOARD ACTION
- B. FINDINGS TO CONTINUE TELECONFERENCE MEETINGS AND DETERMINATION THAT COVID-19 STATE OF EMERGENCY CONTINUES TO DIRECTLY IMPACT THE ABILITY OF MEMBERS TO MEET SAFELY IN PERSON AND POSSIBLE BOARD ACTION

**CONTINUE HOLDING LACERS BOARD AND COMMITTEE MEETINGS  
VIA TELECONFERENCE AND/OR VIDEOCONFERENCE**

**RESOLUTION 221122-A**

WHEREAS, LACERS is committed to preserving public access and participation in meetings of the Board of Administration; and

WHEREAS, all LACERS Board and Committee meetings are open and public, as required by the Ralph M. Brown Act (Cal. Gov. Code 54950 – 54963), so that any member of the public may attend and participate as the LACERS Board and Committees conduct their business; and

WHEREAS, the Brown Act, Government Code Section 54953(e), makes provisions for remote teleconferencing participation in meetings by members of a legislative body, subject to the existence of certain conditions; and

WHEREAS, the COVID-19 State of Emergency proclaimed by the Governor on March 4, 2020 remains active; and

WHEREAS, on October 12, 2021, the Board met via teleconference and determined by majority vote, pursuant to Government Code Section 54953(e)(1)(B)-(C), that due to the COVID-19 State of Emergency, meeting in person would present imminent risks to the health or safety of attendees; and

WHEREAS, the Board has reconsidered the circumstances of the State of Emergency; and

WHEREAS, COVID-19 remains a public health concern in Los Angeles, with substantial community transmission;

NOW THEREFORE, BE IT RESOLVED that pursuant to Government Code Section 54953(e)(1)(B)-(C), the Board finds that holding Board and Committee meetings in person would present imminent risks to the health or safety of attendees.

BE IT FURTHER RESOLVED that pursuant to Government Code Section 54953(e)(3)(A) and (B)(i), the Board finds that the COVID-19 State of Emergency continues to directly impact the ability of Board and Committee members to meet safely in person.

VII

BOARD/DEPARTMENT ADMINISTRATION

- A. 977 N. BROADWAY PROJECT REPORT FOR THE QUARTER ENDING SEPTEMBER 30, 2022 AND POSSIBLE BOARD ACTION – Horacio Arroyo, Senior Management Analyst, presented and discussed this item with the Board for 15 minutes. No action was taken on this item.

VIII

INVESTMENTS

- A. CHIEF INVESTMENT OFFICER VERBAL REPORT INCLUDING DISCUSSION ON THE PORTFOLIO EXPOSURE TO GLOBAL EVENTS – Rod June, Chief Investment Officer, reported on the portfolio value of \$20.91 billion as of November 21, 2022. Mr. June discussed the following items:

- LACERS has no exposure to Twitter
- Disney exposure: \$15.3 million in public equities, \$1.5 million in fixed income, and \$96 million in a bond index
- FTX exposure is approximately \$150,000 in a venture capital fund; staff is monitoring this exposure closely
- Future Agenda Items: Performance presentations from NEPC, LLC, Aksia CA LLC, and The Townsend Group, CEM Benchmarking Report for the period ending December 31, 2021, and a fee disclosure report on alternative investment vehicles for the period ending June 30, 2022

Mr. June shared that as of November 22, 2022, Russian exposure for LACERS is 1.4 basis points and DFA still holds equity positions due to the Russian stock market being closed to foreign investors.

- B. TRANSITION MANAGER FINALIST INTERVIEWS WITH ABEL NOSER, LLC; BLACKROCK INSTITUTIONAL TRUST COMPANY, N.A.; CITIGROUP GLOBAL MARKETS INC.; THE NORTHERN TRUST COMPANY; AND RUSSELL INVESTMENTS IMPLEMENTATION SERVICES, LLC AND POSSIBLE BOARD ACTION – Rod June, Chief Investment Officer, and James Wang, Investment Officer I, presented and discussed this item with the Board for 23 minutes. In addition, representatives from all the finalist firms introduced themselves to the Board. Vice President Lee moved approval of the following Resolution:

**CONTRACT FOR  
ABEL NOSER, LLC  
INVESTMENT TRANSITION MANAGEMENT SERVICES**

**RESOLUTION 221122-B**

WHEREAS, on January 25, 2022, the Board authorized an Investment Transition Management Services Request for Proposal (RFP) to refresh LACERS' bench of transition managers; and,

WHEREAS, on July 12, 2022, the Investment Committee considered staff's evaluation report of the RFP respondents, including the five proposed semi-finalist candidates: Abel Noser, LLC; BlackRock Institutional Trust Company, N.A.; Citigroup Global Markets Inc.; The Northern Trust Company; and Russell Investments Implementation Services, LLC; and,

WHEREAS, staff subsequently conducted further due diligence on the semi-finalist candidates and deemed all five firms capable of providing investment transition management services to LACERS; and,

WHEREAS, on November 3, 2022, the Investment Committee interviewed the five semi-finalist candidates and advanced all five firms as finalist candidates for consideration by the Board for five-year contract awards; and,

WHEREAS, on November 22, 2022, the Board approved the Investment Committee's recommendation to hire Abel Noser, LLC; BlackRock Institutional Trust Company, N.A.; Citigroup Global Markets Inc.; The Northern Trust Company; and Russell Investments Implementation Services, LLC to comprise LACERS' bench of transition managers.

NOW, THEREFORE, BE IT RESOLVED, that the General Manager is hereby authorized to approve and execute a contract, subject to satisfactory business and legal terms and consistent with the following services and terms:

<u>Company Name:</u>	Abel Noser, LLC
<u>Service Provided:</u>	Investment Transition Management
<u>Approximate Effective Dates:</u>	February 1, 2023 through January 31, 2028
<u>Duration:</u>	Five years

**CONTRACT FOR  
BLACKROCK INSTITUTIONAL TRUST COMPANY, N.A.  
INVESTMENT TRANSITION MANAGEMENT SERVICES**

**RESOLUTION 221122-B**

WHEREAS, on January 25, 2022, the Board authorized an Investment Transition Management Services Request for Proposal (RFP) to refresh LACERS' bench of transition managers; and,

WHEREAS, on July 12, 2022, the Investment Committee considered staff's evaluation report of the RFP respondents, including the five proposed semi-finalist candidates: Abel Noser, LLC; BlackRock Institutional Trust Company, N.A.; Citigroup Global Markets Inc.; The Northern Trust Company; and Russell Investments Implementation Services, LLC; and,

WHEREAS, staff subsequently conducted further due diligence on the semi-finalist candidates and deemed all five firms capable of providing investment transition management services to LACERS; and,

WHEREAS, on November 3, 2022, the Investment Committee interviewed the five semi-finalist candidates and advanced all five firms as finalist candidates for consideration by the Board for five-year contract awards; and,

WHEREAS, on November 22, 2022, the Board approved the Investment Committee's recommendation to hire Abel Noser, LLC; BlackRock Institutional Trust Company, N.A.; Citigroup Global Markets Inc.; The Northern Trust Company; and Russell Investments Implementation Services, LLC to comprise LACERS' bench of transition managers.

NOW, THEREFORE, BE IT RESOLVED, that the General Manager is hereby authorized to approve and execute a contract, subject to satisfactory business and legal terms and consistent with the following services and terms:

<u>Company Name:</u>	BlackRock Institutional Trust Company, N.A.
<u>Service Provided:</u>	Investment Transition Management
<u>Approximate Effective Dates:</u>	February 1, 2023 through January 31, 2028
<u>Duration:</u>	Five years

**CONTRACT FOR  
CITIGROUP GLOBAL MARKETS INC.  
INVESTMENT TRANSITION MANAGEMENT SERVICES**

**RESOLUTION 221122-B**

WHEREAS, on January 25, 2022, the Board authorized an Investment Transition Management Services Request for Proposal (RFP) to refresh LACERS' bench of transition managers; and,

WHEREAS, on July 12, 2022, the Investment Committee considered staff's evaluation report of the RFP respondents, including the five proposed semi-finalist candidates: Abel Noser, LLC; BlackRock Institutional Trust Company, N.A.; Citigroup Global Markets Inc.; The Northern Trust Company; and Russell Investments Implementation Services, LLC; and,

WHEREAS, staff subsequently conducted further due diligence on the semi-finalist candidates and deemed all five firms capable of providing investment transition management services to LACERS; and,

WHEREAS, on November 3, 2022, the Investment Committee interviewed the five semi-finalist candidates and advanced all five firms as finalist candidates for consideration by the Board for five-year contract awards; and,

WHEREAS, on November 22, 2022, the Board approved the Investment Committee's recommendation to hire Abel Noser, LLC; BlackRock Institutional Trust Company, N.A.; Citigroup Global Markets Inc.; The Northern Trust Company; and Russell Investments Implementation Services, LLC to comprise LACERS' bench of transition managers.

NOW, THEREFORE, BE IT RESOLVED, that the General Manager is hereby authorized to approve and execute a contract, subject to satisfactory business and legal terms and consistent with the following services and terms:

<u>Company Name:</u>	Citigroup Global Markets Inc.
<u>Service Provided:</u>	Investment Transition Management
<u>Approximate Effective Dates:</u>	February 1, 2023 through January 31, 2028
<u>Duration:</u>	Five years

**CONTRACT FOR  
THE NORTHERN TRUST COMPANY  
INVESTMENT TRANSITION MANAGEMENT SERVICES**

**RESOLUTION 221122-B**

WHEREAS, on January 25, 2022, the Board authorized an Investment Transition Management Services Request for Proposal (RFP) to refresh LACERS' bench of transition managers; and,

WHEREAS, on July 12, 2022, the Investment Committee considered staff's evaluation report of the RFP respondents, including the five proposed semi-finalist candidates: Abel Noser, LLC; BlackRock Institutional Trust Company, N.A.; Citigroup Global Markets Inc.; The Northern Trust Company; and Russell Investments Implementation Services, LLC; and,

WHEREAS, staff subsequently conducted further due diligence on the semi-finalist candidates and deemed all five firms capable of providing investment transition management services to LACERS; and,

WHEREAS, on November 3, 2022, the Investment Committee interviewed the five semi-finalist candidates and advanced all five firms as finalist candidates for consideration by the Board for five-year contract awards; and,

WHEREAS, on November 22, 2022, the Board approved the Investment Committee's recommendation to hire Abel Noser, LLC; BlackRock Institutional Trust Company, N.A.; Citigroup Global Markets Inc.;

The Northern Trust Company; and Russell Investments Implementation Services, LLC to comprise LACERS' bench of transition managers.

NOW, THEREFORE, BE IT RESOLVED, that the General Manager is hereby authorized to approve and execute a contract, subject to satisfactory business and legal terms and consistent with the following services and terms:

<u>Company Name:</u>	The Northern Trust Company
<u>Service Provided:</u>	Investment Transition Management
<u>Approximate Effective Dates:</u>	February 1, 2023 through January 31, 2028
<u>Duration:</u>	Five years

**CONTRACT FOR  
RUSSELL INVESTMENTS IMPLEMENTATION SERVICES, LLC  
INVESTMENT TRANSITION MANAGEMENT SERVICES**

**RESOLUTION 221122-B**

WHEREAS, on January 25, 2022, the Board authorized an Investment Transition Management Services Request for Proposal (RFP) to refresh LACERS' bench of transition managers; and,

WHEREAS, on July 12, 2022, the Investment Committee considered staff's evaluation report of the RFP respondents, including the five proposed semi-finalist candidates: Abel Noser, LLC; BlackRock Institutional Trust Company, N.A.; Citigroup Global Markets Inc.; The Northern Trust Company; and Russell Investments Implementation Services, LLC; and,

WHEREAS, staff subsequently conducted further due diligence on the semi-finalist candidates and deemed all five firms capable of providing investment transition management services to LACERS; and,

WHEREAS, on November 3, 2022, the Investment Committee interviewed the five semi-finalist candidates and advanced all five firms as finalist candidates for consideration by the Board for five-year contract awards; and,

WHEREAS, on November 22, 2022, the Board approved the Investment Committee's recommendation to hire Abel Noser, LLC; BlackRock Institutional Trust Company, N.A.; Citigroup Global Markets Inc.; The Northern Trust Company; and Russell Investments Implementation Services, LLC to comprise LACERS' bench of transition managers.

NOW, THEREFORE, BE IT RESOLVED, that the General Manager is hereby authorized to approve and execute a contract, subject to satisfactory business and legal terms and consistent with the following services and terms:

Company Name: Russell Investments Implementation Services, LLC  
Service Provided: Investment Transition Management  
Approximate Effective Dates: February 1, 2023 through January 31, 2028  
Duration: Five years

Which motion was seconded by Commissioner Sidley, and adopted by the following vote: Ayes, Commissioners Chao, Huynh, Sidley, Sohn, Wilkinson, Vice President Lee, and President Serrano -7; Nays, None.

C. INVESTMENT MANAGER CONTRACT WITH AXIOM INVESTORS, LLC REGARDING THE MANAGEMENT OF AN ACTIVE NON-U.S. EMERGING MARKETS GROWTH EQUITIES PORTFOLIO AND POSSIBLE BOARD ACTION – Bryan Fujita, Investment Officer III, presented and discussed this item with the Board for 10 minutes. Commissioner Chao moved approval of the following Resolution:

**CONTRACT EXTENSION  
AXIOM INVESTORS, LLC  
ACTIVE NON-U.S. EMERGING MARKETS GROWTH EQUITIES  
PORTFOLIO MANAGEMENT**

**RESOLUTION 221122-C**

WHEREAS, LACERS' current one-year contract extension with Axiom Investors, LLC (Axiom) for active non-U.S. emerging markets growth equities portfolio management expires on December 31, 2022; and,

WHEREAS, a one-year contract extension will provide the necessary time to evaluate Axiom's performance with its stated growth strategy relative to its benchmark; and,

WHEREAS, on November 22, 2022, the Board approved the Investment Committee's recommendation to approve a one-year contract extension.

NOW, THEREFORE, BE IT RESOLVED, that the General Manager is hereby authorized to approve and execute a contract subject to satisfactory business and legal terms and consistent with the following services and terms:

Company Name: Axiom Investors, LLC  
Service Provided: Active Non-U.S. Emerging Markets Growth Equities Portfolio Management  
Effective Dates: January 1, 2023 through December 31, 2023  
Duration: One year

Benchmark: MSCI Emerging Markets Index

Allocation as of  
September 30, 2022: \$256 million

Which motion was seconded by Vice President Lee, and adopted by the following vote: Ayes, Commissioners Chao, Huynh, Sidley, Sohn, Wilkinson, Vice President Lee, and President Serrano -7; Nays, None.

- D. PRESENTATION BY AKSIA CA LLC OF THE PRIVATE EQUITY PROGRAM 2023 STRATEGIC PLAN AND POSSIBLE BOARD ACTION – Wilkin Ly, Investment Officer III, Trevor Jackson, Managing Director, and Jeff Goldberger, Managing Director, with Aksia CA LLC, presented and discussed this item with the Board for 30 minutes. Vice President Lee moved approval, seconded by Commissioner Chao, and adopted by the following vote: Ayes, Commissioners Chao, Huynh, Sidley, Sohn, Wilkinson, Vice President Lee, and President Serrano -7; Nays, None.
- E. NOTIFICATION OF COMMITMENT OF UP TO \$75 MILLION IN PLATINUM EQUITY CAPITAL PARTNERS VI, L.P. – Staff and the Board discussed this item with Aksia representatives. This report was received by the Board and filed.
- F. NOTIFICATION OF COMMITMENT OF UP TO \$20 MILLION IN AULDBRASS PARTNERS SECONDARY OPPORTUNITY FUND III, L.P. – This report was received by the Board and filed.
- G. NOTIFICATION OF COMMITMENT OF UP TO €71.0 MILLION (APPROXIMATELY \$75.0 MILLION) IN EIGHTH CINVEN FUND (NO. 1) LIMITED PARTNERSHIP – This report was received by the Board and filed.
- H. NOTIFICATION OF COMMITMENT OF UP TO \$20 MILLION IN SUNSTONE PARTNERS III-MAIN, LP – This report was received by the Board and filed.

X

OTHER BUSINESS – There was no other business.

XI

NEXT MEETING: The next Regular meeting of the Board is scheduled for Tuesday, December 13, 2022, at 10:00 a.m. at LACERS, 202 W. 1<sup>st</sup> Street, Suite 500, Los Angeles, CA 90012, and/or via telephone and/or videoconferencing. Please continue to view the LACERS website for updated information on public access to Board meetings while response to public health concerns relating to the novel coronavirus continue.

XII

ADJOURNMENT – There being no further business before the Board, President Serrano adjourned the Meeting at 12:16 p.m.

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Nilza R. Serrano  
President

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Neil M. Guglielmo  
Manager-Secretary

MINUTES OF THE REGULAR MEETING  
**BOARD OF ADMINISTRATION**  
LOS ANGELES CITY EMPLOYEES' RETIREMENT SYSTEM

In accordance with Government Code Section 54953, subsections (e)(1) and (e)(3), and in light of the State of Emergency proclaimed by the Governor on March 4, 2020 relating to COVID-19 and ongoing concerns that meeting in person would present imminent risks to the health or safety of attendees and/or that the State of Emergency continues to directly impact the ability of members to meet safely in person, the LACERS Board of Administration's December 13, 2022 meeting will be conducted via telephone and/or videoconferencing.

December 13, 2022

10:00 a.m.

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PRESENT via Videoconferencing:	President:	Nilza R. Serrano
	Vice President:	Elizabeth Lee
	Commissioners:	Annie Chao Thuy Huynh Janna Sidley Sung Won Sohn Michael R. Wilkinson
	Legal Counselor:	Anya Freedman
	Manager-Secretary:	Neil M. Guglielmo
	Executive Assistant:	Ani Ghoukassian

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*The Items in the Minutes are numbered to correspond with the Agenda.*

I

PUBLIC COMMENTS AND GENERAL PUBLIC COMMENTS ON MATTERS WITHIN THE BOARD'S JURISDICTION AND COMMENTS ON ANY SPECIFIC MATTERS ON THE AGENDA – *THIS WILL BE THE ONLY OPPORTUNITY FOR PUBLIC COMMENT* – **PRESS \*9 TO RAISE HAND DURING PUBLIC COMMENT PERIOD** – President Serrano asked if any persons wanted to make a general public comment to which there was one response. Valentina, with Private Equity Stakeholder Project and member of the public, made a comment about CIM Group and practices they have been using in an apartment complex in Virginia. Valentina provided an update on the status of this issue.

II

BOARD PRESIDENT VERBAL REPORT – President Serrano stated with COVID on the rise, to please wear a mask and check on seniors during this cold weather.

III

GENERAL MANAGER VERBAL REPORT

- A. REPORT ON DEPARTMENT OPERATIONS – Neil M. Guglielmo, General Manager, advised the Board of the following items:
- Loss of power to former LA Times Building
  - New W-4P Federal Tax Withholding Form
  - COVID cases continue to rise
  - Transition of Elected Officials
  - LACERS HQ Update
  - Retirement Services Division update
  - Health Benefits Administration update
  - Member Services update
- B. UPCOMING AGENDA ITEMS – There were no items discussed.

IV

DISABILITY RETIREMENT APPLICATION(S)

- A. CONSIDERATION OF RETURN TO WORK REQUEST FOR DISABILITY RETIREMENT RETIREE HAGOP TCHAKERIAN AND POSSIBLE BOARD ACTION – Member Hagop Tchakerian was virtually present and sworn in by Shelby Maaske, Court Reporter. Carol Rembert, Benefits Analyst, presented this item to the Board. After a 10 minute discussion, Commissioner Wilkinson moved approval, seconded by Vice President Lee, and adopted by the following vote: Ayes, Commissioners Chao, Huynh, Sidley, Sohn, Wilkinson, Vice President Lee, and President Serrano -7; Nays, None.

V

RECEIVE AND FILE ITEMS

- A. ETHICAL CONTRACT COMPLIANCE REPORT NOTIFICATION TO THE BOARD – This report was received by the Board and filed.
- B. BENEFITS PAYMENTS APPROVED BY GENERAL MANAGER – This report was received by the Board and filed.
- C. EDUCATION AND TRAVEL EXPENDITURE REPORT FOR THE QUARTER ENDING SEPTEMBER 30, 2022 – This report was received by the Board and filed.

VI

COMMITTEE REPORT(S)

- A. GOVERNANCE COMMITTEE VERBAL REPORT FOR THE MEETING ON DECEMBER 13, 2022 – Commissioner Sidley reported that the Committee approved the proposed revisions to the LACERS Board Governance and Administrative Policies Section 2.0 Governing Statutes.

VII

CONSENT ITEM(S)

Vice President Lee moved approval of Consent Items VII-A and VII-B, seconded by Commissioner Chao, and adopted by the following vote: Ayes, Commissioners Chao, Huynh, Sidley, Sohn, Wilkinson, Vice President Lee, and President Serrano -7; Nays, None.

- A. APPROVAL OF MINUTES FOR THE REGULAR MEETING OF NOVEMBER 8, 2022 AND POSSIBLE BOARD ACTION
- B. FINDINGS TO CONTINUE TELECONFERENCE MEETINGS AND DETERMINATION THAT COVID-19 STATE OF EMERGENCY CONTINUES TO DIRECTLY IMPACT THE ABILITY OF MEMBERS TO MEET SAFELY IN PERSON AND POSSIBLE BOARD ACTION

**CONTINUE HOLDING LACERS BOARD AND COMMITTEE MEETINGS  
VIA TELECONFERENCE AND/OR VIDEOCONFERENCE**

**RESOLUTION 221213-B**

WHEREAS, LACERS is committed to preserving public access and participation in meetings of the Board of Administration; and

WHEREAS, all LACERS Board and Committee meetings are open and public, as required by the Ralph M. Brown Act (Cal. Gov. Code 54950 – 54963), so that any member of the public may attend and participate as the LACERS Board and Committees conduct their business; and

WHEREAS, the Brown Act, Government Code Section 54953(e), makes provisions for remote teleconferencing participation in meetings by members of a legislative body, subject to the existence of certain conditions; and

WHEREAS, the COVID-19 State of Emergency proclaimed by the Governor on March 4, 2020 remains active; and

WHEREAS, on October 12, 2021, the Board met via teleconference and determined by majority vote, pursuant to Government Code Section 54953(e)(1)(B)-(C), that due to the COVID-19 State of Emergency, meeting in person would present imminent risks to the health or safety of attendees; and

WHEREAS, the Board has reconsidered the circumstances of the State of Emergency; and

WHEREAS, COVID-19 remains a public health concern in Los Angeles, with substantial or high community transmission;

NOW THEREFORE, BE IT RESOLVED that pursuant to Government Code Section 54953(e)(1)(B)-(C), the Board finds that holding Board and Committee meetings in person would present imminent risks to the health or safety of attendees.

BE IT FURTHER RESOLVED that pursuant to Government Code Section 54953(e)(3)(A) and (B)(i), the Board finds that the COVID-19 State of Emergency continues to directly impact the ability of Board and Committee members to meet safely in person.

## VIII

### BOARD/DEPARTMENT ADMINISTRATION

- A. PRESENTATION OF LACERS' AUDITED FINANCIAL STATEMENTS AS OF JUNE 30, 2022 – Melani Rejuso, Departmental Audit Manager, Kory Hogan, Engagement Partner, and Aaron Hamilton, Senior Manager, with Moss Adams LLP, presented and discussed this item with the Board for 30 minutes.

## IX

### INVESTMENTS

- A. CHIEF INVESTMENT OFFICER VERBAL REPORT INCLUDING DISCUSSION ON THE PORTFOLIO EXPOSURE TO GLOBAL EVENTS – Rod June, Chief Investment Officer, reported on the portfolio value of \$21.19 billion as of December 12, 2022. Mr. June discussed the following items:
- ESG update: The Department of Labor issued the final rule on Prudence and Loyalty in Selecting Plan Investments and Exercising Shareholder Rights. Staff and consultant will determine if there is any impact on LACERS' ESG Risk Framework and Responsible Investment Policy; and staff will consult with City Attorney
  - Announcement: Introduction of Stephanie Silva, Administrative Clerk for Investment Division
  - Future Agenda Items: Aksia's presentation of the Portfolio Performance Review for the period ending June 30, 2022, contract with Institutional Shareholder Services, and Private Real Estate Opportunity

Mr. June shared that the current Russian exposure for LACERS is 1.4 basis points.

- B. PRESENTATION BY NEPC, LLC OF THE PORTFOLIO PERFORMANCE REVIEW FOR THE QUARTER ENDING SEPTEMBER 30, 2022 – Carolyn Smith, Partner, and Kevin Novak, Principal, with NEPC, LLC, presented and discussed this item with the Board for 1 hour and 10 minutes.
- C. PRESENTATION BY CEM BENCHMARKING INC. OF INVESTMENT BENCHMARKING RESULTS FOR PERIOD ENDING DECEMBER 31, 2021 – Mike Heale, Principal with CEM Benchmarking Inc., presented and discussed this item with the Board for 30 minutes.
- D. DISCLOSURE OF FEES, EXPENSES, AND CARRIED INTEREST OF ALTERNATIVE INVESTMENT VEHICLES FOR THE FISCAL YEAR ENDING JUNE 30, 2022 PURSUANT TO

GOVERNMENT CODE SECTION 7514.7 - Eduardo Park, Investment Officer II, presented this item to the Board and the report was received by the Board and filed.

X

OTHER BUSINESS – There was no other business.

XI

NEXT MEETING: The next Regular meeting of the Board is scheduled for Tuesday, January 10, 2023, at 10:00 a.m. at LACERS, 202 W. 1<sup>st</sup> Street, Suite 500, Los Angeles, CA 90012, and/or via telephone and/or videoconferencing. Please continue to view the LACERS website for updated information on public access to Board meetings while response to public health concerns relating to the novel coronavirus continue.

XII

ADJOURNMENT – There being no further business before the Board, President Serrano adjourned the Meeting at 1:01 p.m.

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Nilza R. Serrano  
President

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Neil M. Guglielmo  
Manager-Secretary



**REPORT TO BOARD OF ADMINISTRATION**  
**From: Neil M. Guglielmo, General Manager**

**MEETING: JANUARY 10, 2023**  
**ITEM: VI - B**

*Neil M. Guglielmo*

**SUBJECT: FINDINGS TO CONTINUE TELECONFERENCE MEETINGS AND DETERMINATION THAT COVID-19 STATE OF EMERGENCY CONTINUES TO DIRECTLY IMPACT THE ABILITY OF MEMBERS TO MEET SAFELY IN PERSON AND POSSIBLE BOARD ACTION**

ACTION:  CLOSED:  CONSENT:  RECEIVE & FILE:

**Recommendation**

That the Board approve continuing to hold LACERS Board and Committee meetings via teleconference and/or videoconference, under Government Code Sections 54953(e)(1)(B)-(C) and 54953(e)(3)(A) and (B)(i).

**Discussion**

LACERS is committed to preserving public access and participation in meetings of the Board of Administration. All LACERS Board and Committee meetings are open and public, as required by the Ralph M. Brown Act (Cal. Gov. Code 54950 – 54963), so that any member of the public may attend and participate as the LACERS Board and Committees conduct their business. The Brown Act, Government Code Section 54953(e), makes provisions for remote teleconferencing participation in meetings by members of a legislative body, subject to the existence of certain conditions. The COVID-19 State of Emergency proclaimed by the Governor on March 4, 2020 remains active: COVID-19 remains a public health concern in Los Angeles, with substantial or high community transmission.

The Board met via teleconference on October 12, 2021, and determined by majority vote, pursuant to Government Code Section 54953(e)(1)(B)-(C), that due to the COVID-19 State of Emergency, meeting in person would present imminent risks to the health or safety of attendees.

**Strategic Plan Impact Statement**

The Board’s action on this item aligns with the LACERS Strategic Plan Goal to uphold good governance practices which affirm transparency, accountability, and fiduciary duty.

Prepared By: Ani Ghoukassian, Commission Executive Assistant II

Attachment: Proposed Resolution

CONTINUE HOLDING LACERS BOARD AND COMMITTEE MEETINGS  
VIA TELECONFERENCE AND/OR VIDEOCONFERENCE

PROPOSED RESOLUTION

WHEREAS, LACERS is committed to preserving public access and participation in meetings of the Board of Administration; and

WHEREAS, all LACERS Board and Committee meetings are open and public, as required by the Ralph M. Brown Act (Cal. Gov. Code 54950 – 54963), so that any member of the public may attend and participate as the LACERS Board and Committees conduct their business; and

WHEREAS, the Brown Act, Government Code Section 54953(e), makes provisions for remote teleconferencing participation in meetings by members of a legislative body, subject to the existence of certain conditions; and

WHEREAS, the COVID-19 State of Emergency proclaimed by the Governor on March 4, 2020 remains active; and

WHEREAS, on October 12, 2021, the Board met via teleconference and determined by majority vote, pursuant to Government Code Section 54953(e)(1)(B)-(C), that due to the COVID-19 State of Emergency, meeting in person would present imminent risks to the health or safety of attendees; and

WHEREAS, the Board has reconsidered the circumstances of the State of Emergency; and

WHEREAS, COVID-19 remains a public health concern in Los Angeles, with substantial or high community transmission;

NOW THEREFORE, BE IT RESOLVED that pursuant to Government Code Section 54953(e)(1)(B)-(C), the Board finds that holding Board and Committee meetings in person would present imminent risks to the health or safety of attendees.

BE IT FURTHER RESOLVED that pursuant to Government Code Section 54953(e)(3)(A) and (B)(i), the Board finds that the COVID-19 State of Emergency continues to directly impact the ability of Board and Committee members to meet safely in person.



**LACERS**  
LA CITY EMPLOYEES'  
RETIREMENT SYSTEM



**REPORT TO BOARD OF ADMINISTRATION**

**From: Neil M. Guglielmo, General Manager**

*Neil M. Guglielmo*

**MEETING: JANUARY 10, 2023**

**ITEM: VII-A**

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**SUBJECT: EXTEND CONTRACT WITH MOSS ADAMS LLP (MOSS ADAMS) FOR ONE YEAR AND AMEND CONTRACT'S SCOPE OF SERVICES TO INCLUDE THE ANNUAL FINANCIAL AUDIT OF 977 BUILDING OPERATIONS FOR POSSIBLE BOARD ACTION**

ACTION:  CLOSED:  CONSENT:  RECEIVE & FILE:

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**Recommendation**

That the Board:

1. Make a determination that it would be undesirable and impractical for LACERS to conduct a new competitive bid process, pursuant to City Charter Section 371(e)(10);
2. Approve an extension of LACERS' contract with Moss Adams for one additional year starting July 1, 2023 and ending June 30, 2024 for financial and other audit services. The extension includes an annual audit fee adjustment of \$1,000.
3. Approve an amendment to the scope of services provided in Moss Adams' contract to include the annual financial audit of 977 building operations, beginning July 1, 2022. The audit fee will start at \$29,500, with a separate annual fee adjustment of \$1,000;
4. Authorize the General Manager to approve and execute the necessary amendments to Moss Adams' contract, subject to the approval of the City Attorney as to form.

**Summary**

In February 2020, LACERS issued an RFP (*Request for Proposals*) for the annual audit of LACERS' financial statements. The competitive process resulted in the award of contract to Moss Adams, for a period of three years or from July 1, 2020 through June 30, 2023. To avoid delay in the issuance of LACERS' and the City's Annual Comprehensive Financial Reports (ACFR) in 2023, LACERS is

*City Charter Section 371 (e) (.10) Subject to the requirements of Section [1022](#), contracts (including without limitation those, as determined by the contracting authority, for the performance of professional, scientific, expert, technical or other special services), where the contracting authority finds that the use of competitive bidding would be undesirable, impractical or impossible or where the common law otherwise excuses compliance with competitive bidding requirements.*

requesting the Board to approve the extension of Moss Adams contract period for one additional year, from July 1, 2023 to June 30, 2024. The extension includes an annual audit fee adjustment of \$1,000. According to Los Angeles Administrative Code section 10.5(a), subject to very limited exceptions, amendments to City contracts that would have the effect of extending the contract beyond three years in length must be approved by the City Council unless the annual amount of services to be provided during each additional year of the contract does not exceed the limit established by Administrative Code section 10.5(b)(2). The maximum annual increase for Fiscal Year 22-23 is \$182,536. The annual total cost for the proposed extension period is well below that limit, estimated to be \$125,000.

LACERS management has determined that it will be impractical and undesirable to conduct a competitive bid and start a new contract with another auditor, considering that Moss Adams LLP has only been under contract with LACERS since 2020 and LACERS’ staff are satisfied with Moss Adams’ work to date. Moreover, having more time to become familiar with LACERS’ unique processes increases the overall efficiency, accuracy, and reliability of the financial audit process and resulting reports. So far, Moss Adams has been effective in their role as LACERS’ financial auditor. The former financial auditor had been with LACERS for more than 12 years before they were replaced by Moss Adams.

In addition, LACERS is requesting the Board approve a contract amendment to expand Moss Adams’ scope of services to include the financial audit of 977 building operations. Previously, this audit was conducted separately by another consultant hired by the former property manager. For efficiency reasons, LACERS management has decided to have Moss Adams conduct this audit as well. The annual audit fee will start at \$29,500, commencing July 1, 2022, with an annual fee adjustment of \$1,000.

The table below shows Moss Adams’ Annual audit fees for the current contract period expiring in 2023, and for the proposed extended contract period.

**MOSS ADAMS ANNUAL FINANCIAL AUDIT FEES**

CURRENT CONTRACT				PROPOSED EXTENDED PERIOD
	FY2020 AUDIT	FY2021 AUDIT	FY2022 AUDIT	Financial Audit Fees
				FY2023 AUDIT
LACERS Financial Audit	\$80k	\$81K	\$82K	\$83K
977 Financial Audit			\$29.5K	\$30.5K

*(note: LACERS fees above include 115 Trust Acct. audit fee of \$10K.but excludes GASB 68/75 Allocation audit fee of \$11.5K per yr.)*

**Strategic Alignment**

Financial Statements audits are consistent with the Board’s Governance Goal to “uphold good governance practices which affirm transparency, accountability and fiduciary duty.”

Prepared By: Maria Melani Rejuso, Departmental Audit Manager

NMG/MR

Attachments: 1. Proposed Board Resolution  
2. Contract Amendments of Moss Adams' Contract for financial audit services

## CONTRACT EXTENSION WITH MOSS ADAMS LLP (MOSS ADAMS) FOR FINANCIAL AND OTHER AUDIT SERVICES

### PROPOSED RESOLUTION

WHEREAS, LACERS currently has a three-year contract from July 1, 2020 to June 30, 2023 with Moss Adams, LLP (Moss Adams) to provide financial and other audit services;

WHEREAS, LACERS implemented a competitive bidding process in 2020 that resulted in the selection of Moss Adams to provide audit services;

WHEREAS, Moss Adams provided audit services and required audit reports related to LACERS financial statements, 115 Trust Account (Health/Dental accounts), and employers' (City, Airports and Harbor) allocations and pension amounts;

WHEREAS, LACERS continues to require a competent Financial Auditor for the purpose of providing audited financial information for annual actuarial valuation and for the issuance of LACERS' and the City's Annual Comprehensive Financial Reports;

WHEREAS, Charter Section 371(e)(10) provides exemption from the competitive bidding process for contracts that are "undesirable, impractical or impossible";

WHEREAS, the quality and reliability of audit reports increase over time as an auditor becomes more familiar with the subject matter of its audits, and industry best practices recommend retaining an auditor for at least five years;

WHEREAS, conducting a competitive bidding process requires the expenditure of LACERS resources and trust funds and devotion of time by LACERS' Board of Administration;

WHEREAS, the foregoing supports a finding that conducting a competitive bidding process at this time is undesirable and impractical;

WHEREAS, LACERS requires financial auditing services related to its ownership of the headquarters building located at 977 North Broadway Boulevard; and

WHEREAS, LACERS and Moss Adams LLP are both amenable to amending the current contract and extending it for an additional one year.

NOW, THEREFORE, BE IT RESOLVED, that the Board:

1. Make a determination that a competitive bidding process for financial and other audit services would not be advantageous pursuant to City Charter Section 371(e)(10);

2. Approve a one-year extension to LACERS' contract with Moss Adams LLP for financial and other audit services, for the period beginning July 1, 2023, and ending June 30, 2024. The period extension includes an annual fee adjustment of \$1,000;

3. Approve amendments to the scope of services for Moss Adams' contract to include the annual financial audit of 977 building operations starting with the audit of FY2022. The annual audit fee starts at \$29,500 with an annual fee adjustment of \$1,000;

3. Authorize the General Manager to approve and execute the necessary contract amendment documents with Moss Adams LLP, subject to the approval of the City Attorney as to form, and make any necessary clerical, typographical, or technical corrections to this document.

**CONTRACT NO. 4211  
AMENDMENT NO. 1**

**MOSS ADAMS LLP FOR FINANCIAL AUDIT SERVICES**

**WHEREAS**, Contract No 4211 is presently in force between the Board of Administration of the Los Angeles City Employees' Retirement System ("BOARD") and MOSS ADAMS LLP ("CONTRACTOR"), pursuant to which the CONTRACTOR has agreed to provide financial and other audit services to the Los Angeles City Employees' Retirement System ("LACERS"); and

**WHEREAS**, the BOARD and the CONTRACTOR mutually desire to amend Contract No. 4211 as provided in this Amendment No 1.

**NOW, THEREFORE, CONTRACT NO. 4211 IS HEREBY AMENDED AS FOLLOWS:**

1. **Section I. TERM OF CONTRACT** is hereby amended to read:

"This Contract, commencing on July 1, 2020, shall continue until June 30, 2024, unless further amended by the parties or terminated as provided by this Contract."

2. **Section II. SERVICES TO BE PROVIDED BY CONTRACTOR** is hereby amended to read and to add subsection **(A)(4)**:

"A. **REQUIRED AUDIT AND RELATED ADVISORY SERVICES**

The CONTRACTOR agrees to provide the following audit and related services for fiscal years ending June 30, 2020, 2021, 2022, and 2023:

4. Starting with Fiscal Year ending 2022, perform annual audits with the objective of expressing an opinion about whether LACERS' 977 Building basic financial statements and notes to the financial statements are fairly presented, in all material aspects, in conformity with auditing standards generally accepted in the United States of America and all applicable federal and state laws, regulations and rules.

For each annual audit, CONTRACTOR will issue an independent auditor's report on the basic financial statements, as follows:

- (i) An audit report expressing an opinion on the LACERS' 977 building financial statements which comprise the statement of net position and the related statement of operations, changes in net position, and cash flows for the fiscal year ended, and the related notes to the financial statements.

As part of the audit engagement, the CONTRACTOR agrees to attend a minimum of two Audit Committee and/or Board meetings annually and attend additional meetings, if needed, to present the 977 Building audited reports.”

**3. Section VII. FEES** is hereby amended to read:

LACERS will compensate CONTRACTOR for professional services not to exceed the total costs indicated as follows:

ANNUAL AUDIT SERVICES	FEE AMOUNT			
	FYE 2020 Audit	FYE 2021 Audit	FYE 2022 Audit	FYE 2023 Audit
<b>FINANCIAL STATEMENTS AUDIT AND ADVISORY SERVICES</b> Audit fee for provision of services described in Section II. A.1 & A.3	\$80,000	\$81,000	\$82,000	\$83,000
<b>GASB 68/75 AUDIT</b> (As stated in Section II. A.2)	\$11,500	\$11,500	\$11,500	\$11,500
<b>FINANCIAL STATEMENTS AUDIT AND ADVISORY SERVICES</b> Audit fee for provision of services described in Section II. A.4			\$29,500	\$30,500
<b>TOTAL ANNUAL AUDIT FEES</b>	\$91,500	\$92,500	\$123,000	\$125,000
<b>HOURLY RATE FOR AS-NEEDED SERVICES</b> Ad-hoc or occasional projects will be billed on an hourly rate. Request	LOADED FULLY BURDENED HOURLY RATE			

for such services must be estimated as to cost and scope of work and approved in advance by LACERS before commencing said work. LACERS agrees to pay CONTRACTOR a fully burdened hourly rate by professional classification for this type of services, as follows:				
<b>Class of Personnel</b>	<b>YEAR 1</b>	<b>YEAR 2</b>	<b>YEAR 3</b>	<b>YEAR 4</b>
Partners	\$240	\$240	\$240	\$240
Senior Managers	\$195	\$195	\$195	\$195
Managers	\$175	\$175	\$175	\$175
Seniors and Staff	\$110-\$150	\$110-\$150	\$110-\$150	\$110-\$150

**4. The list of Exhibits of Section XII. INCORPORATION OF DOCUMENTS is hereby amended to read:**

“Exhibits – Required Compliance Documents as part of the Contract:

- Exhibit 1: Proof of Insurance
- Exhibit 2: Copy of Los Angeles Business Tax Registration Certificate
- Exhibit 3: Completed IRS W-9 Form
- Exhibit 4: Completed Vender Request Form – ACH
- Exhibit 5: Contractor Disclosure Policy Reporting Form”

Except as amended hereby, all provisions of Contract No 4211 shall remain in full force and effect.

*(Signature Page to Follow)*

**BOARD OF ADMINISTRATION  
LOS ANGELES CITY EMPLOYEES'  
RETIREMENT SYSTEM**

\_\_\_\_\_

By: \_\_\_\_\_  
Kory Hoggan, Partner- Moss Adams LLP

By: Neil M. Guglielmo  
Neil M. Guglielmo, General Manager

Date: \_\_\_\_\_

Date: 11/10/2022

Approved as to form:

MICHAEL N. FEUER, City Attorney

By: \_\_\_\_\_  
Sr. Assistant City/Deputy City Attorney

Date: \_\_\_\_\_



**REPORT TO BOARD OF ADMINISTRATION**

**From: Governance Committee**

Janna Sidley, Chair  
Nilza R. Serrano  
Michael R. Wilkinson

**MEETING: JANUARY 10, 2023**

**ITEM: VII-B**

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**SUBJECT: TRIENNIAL BOARD POLICY REVIEW: SECTION 2.0 GOVERNING STATUTES AND POSSIBLE BOARD ACTION**

ACTION:  CLOSED:  CONSENT:  RECEIVE & FILE:

---

**Recommendation**

That the Board take the following action as recommended by the Governance Committee (Committee):

- Adopt the proposed revisions to Section 2.0 Governing Statutes of the Board Governance and Administrative Policies (Section 2.0 Governing Statutes).

**Executive Summary**

The Board reviews Governance and Administrative policies on a triennial basis. Staff now brings proposed revisions to Section 2.0 Governing Statutes to the Board for its consideration.

**Discussion**

On December 13, 2022, the Committee continued the policy review process with the consideration of minor revisions recommended by staff to Section 2.0 Governing Statutes. The Committee approved the staff report for referral to the Board for consideration.

**Strategic Plan Impact Statement**

The triennial review of the Board Governance and Administrative Policies meets the LACERS Strategic Plan Board Governance Goal to uphold good governance practices which affirm transparency, accountability, and fiduciary duty.

Prepared By: John Koontz, Senior Management Analyst I

NMG/TB/IC:jk

Attachment: Report to Governance Committee Dated December 13, 2022



**LACERS**  
LA CITY EMPLOYEES'  
RETIREMENT SYSTEM

BOARD Meeting: 1/10/2023  
Item: VII-B  
Attachment



**REPORT TO GOVERNANCE COMMITTEE**  
**From: Neil M. Guglielmo, General Manager**

**MEETING: DECEMBER 13, 2022**  
**ITEM: III**

*Neil M. Guglielmo*

**SUBJECT: TRIENNIAL BOARD POLICY REVIEW: SECTION 2.0 GOVERNING STATUTES AND POSSIBLE COMMITTEE ACTION**

ACTION:  CLOSED:  CONSENT:  RECEIVE & FILE:

**Recommendation**

That the Governance Committee (Committee) consider the proposed revisions to the LACERS Board Governance and Administrative Policies Section 2.0 Governing Statutes.

**Executive Summary**

The Committee reviews Governance and Administrative policies on a triennial basis. Staff now brings proposed revisions to Section 2.0 Governing Statutes to the Committee for its consideration.

**Discussion**

As a best practice, LACERS performs a comprehensive review of its Board Governance Policies every three years. In November 2022, the Board adopted the Committee’s recommended schedule for the next review of these policies.

In accordance with that schedule, staff completed review of the Governing Statutes section of the Board Governance Manual and now presents changes to the Committee for consideration.

Only minor updates and revisions have been made to this policy section as no significant changes in applicable law have occurred since the last update.

Upon the Committee’s finalization of the proposed revisions, staff will present the changes to the Board for further consideration and approval.

**Strategic Plan Impact Statement**

The triennial review of the Board Governance and Administrative Policies meets the LACERS Strategic Plan Board Governance Goal to uphold good governance practices which affirm transparency, accountability, and fiduciary duty.

Prepared By: John Koontz, Senior Management Analyst I

NMG/TB/EA/IC;jk

Attachment: 1. Section 2.0 Governing Statutes – Redline Version

Section 2.0 GOVERNING STATUTES

**2.1 Los Angeles City Charter, Section 1106**

*Added to Board Governance Statement on May 14, 2013; Affirmed: July 24, 2018; Revised: December 13, 2022*

Pursuant to the City Charter and consistent with Article XVI, Section 17 of the California Constitution, and other governing laws, the Board has responsibility for the following:

- a) **Administration of the Pension or Retirement System.** Have sole and exclusive responsibility to administer its system for the following purposes:
- (1) to provide benefits to system participants and their beneficiaries and to assure prompt delivery of those benefits and related services;
  - (2) to minimize City contributions; and
  - (3) to defray the reasonable expenses of administering the system.

The duty to system participants and their beneficiaries shall take precedence over any other duty.

- b) **Assets.** Have sole and exclusive fiduciary responsibility over the assets of its system which are held in trust for the exclusive purposes of:
- (1) providing benefits to system participants and their beneficiaries; and
  - (2) defraying the reasonable expenses of administering the system.

- c) **Prudent PersonExpert Standard.** Discharge its duties with respect to its system with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with these matters would use in the conduct of an enterprise of a like character and with like aims.

- d) **Investments.** Diversify the investments of the system so as to minimize the risk of loss and to maximize the rate of return, unless under the circumstances it is clearly not prudent to do so.

- (1) **Investment Statement.** The board of each pension and retirement system shall adopt a statement of investment objectives and policies for the system. The statement shall include at least the desired rate of return and acceptable levels of risk for each asset class, asset allocation goals, guidelines for the delegation of authority, and information of the types of reports to be used to evaluate investment performance. At least annually, the board shall review the statement and change or reaffirm it. After each annual review, the board shall forward the statement to the Mayor and Council for informational purposes.

- (2) **Performance Evaluation.** At least annually, the board of each pension and retirement system shall retain an outside performance evaluation firm to calculate the returns on all of the system investments.

- e) **Actuarial Services.** Have the sole and exclusive power to provide for actuarial services in order to assure the competency of the assets of its systems in accordance with recognized actuarial methods.

- f) **Rules and Regulations.** Have the power to adopt any rules, regulations, or forms it deems necessary to carry out its administration of a pension or retirement system or assets under its control.

Section 2.0 GOVERNING STATUTES

**2.2 California Constitution Article XVI, Section 17**

*Added to Board Governance Statement on May 14, 2013; Affirmed: July 24, 2018; Affirmed: December 13, 2022*

Key sections:

Notwithstanding any other provisions of law or this Constitution to the contrary, the retirement board of a public pension or retirement system shall have plenary authority and fiduciary responsibility for investment of moneys and administration of the system, subject to all of the following:

- a. The retirement board of a public pension or retirement system shall have the sole and exclusive fiduciary responsibility over the assets of the public pension or retirement system. The retirement board shall also have sole and exclusive responsibility to administer the system in a manner that will assure prompt delivery of benefits and related services to the participants and their beneficiaries. The assets of a public pension or retirement system are trust funds and shall be held for the exclusive purposes of providing benefits to participants in the pension or retirement system and their beneficiaries and defraying reasonable expenses of administering the system.
- b. The members of the retirement board of a public pension or retirement system shall discharge their duties with respect to the system solely in the interest of, and for the exclusive purposes of providing benefits to, participants and their beneficiaries, minimizing employer contributions thereto, and defraying reasonable expenses of administering the system. A retirement board's duty to its participants and their beneficiaries shall take precedence over any other duty.
- c. The members of the retirement board of a public pension or retirement system shall discharge their duties with respect to the system with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with these matters would use in the conduct of an enterprise of a like character and with like aims.
- d. The members of the retirement board of a public pension or retirement system shall diversify the investments of the system so as to minimize the risk of loss and to maximize the rate of return, unless under the circumstances it is clearly not prudent to do so.
- e. The retirement board of a public pension or retirement system, consistent with the exclusive fiduciary responsibilities vested in it, shall have the sole and exclusive power to provide for actuarial services in order to assure the competency of the assets of the public pension or retirement system.
- f. The Legislature may by statute continue to prohibit certain investments by a retirement board where it is in the public interest to do so, and provided that the prohibition satisfies the standards of fiduciary care and loyalty required of a retirement board pursuant to this section.

**2.3 General Laws**

*Added to Board Governance Statement on May 14, 2013; Revised: July 24, 2018; Revised: December 13, 2022*

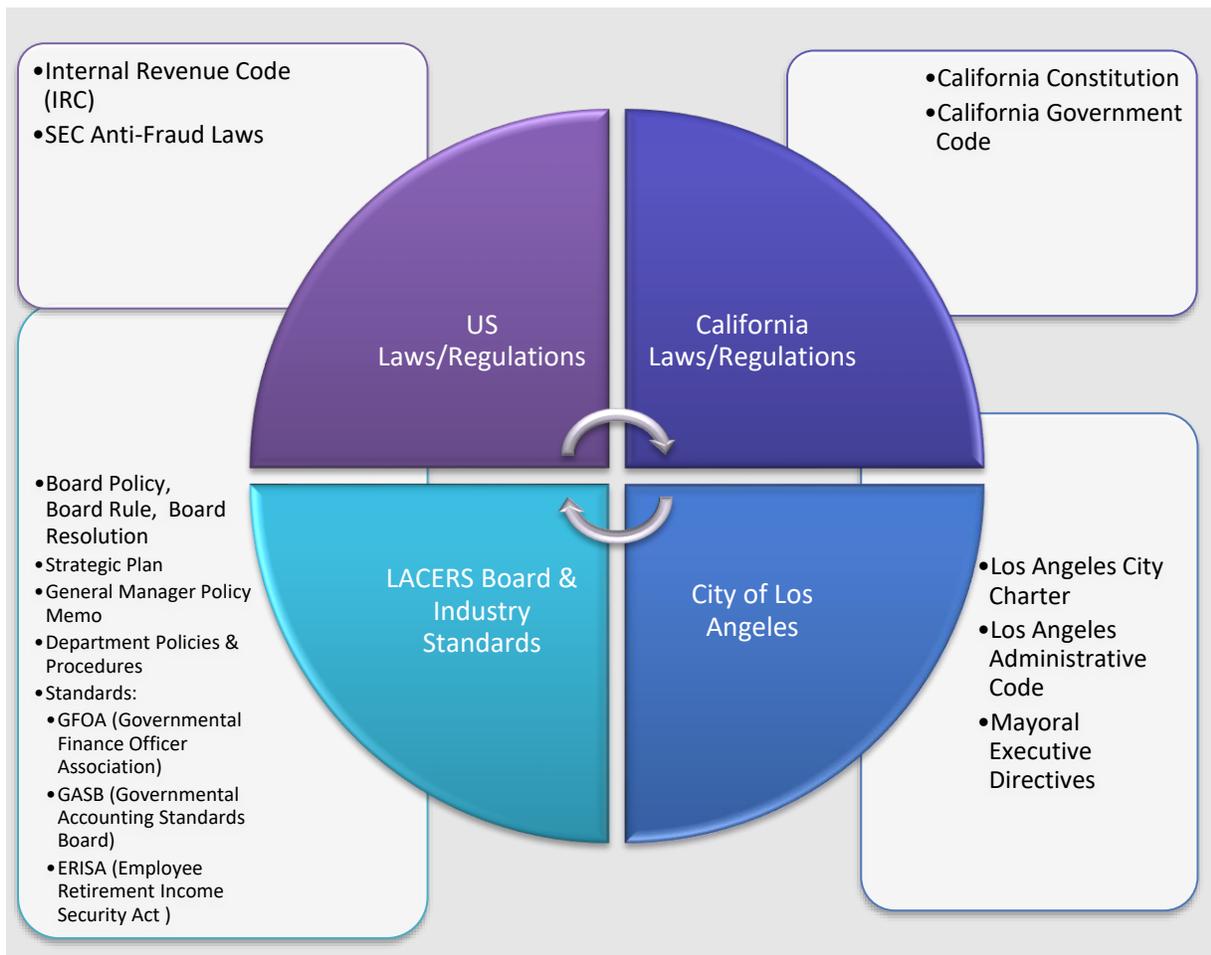
LACERS is one of a handful of California systems which are governed by its own City Charter and not State statutes.\* The Los Angeles City Charter along with the California Constitution, as described in the preceding sections, establish the governing provisions for the retirement system. However there are other laws and regulations which apply to various aspects of LACERS administration. Information provided in this section is meant to be introductory and not

Section 2.0 GOVERNING STATUTES

exhaustive. For citation of specific laws, it is advised ~~that to consult~~ the City Attorney ~~be consulted~~.

Public retirement boards are responsible for the oversight of the system's administration, including ensuring compliance with the following:

- Federal laws and regulations (primarily those administered by the Internal Revenue Service and the US Treasury Department)
- State and local laws and regulations
- Industry standards, such as those set forth for accounting, financial reporting, and actuarial valuations, and
- The system's own strategic plan; policies, rules, and procedures.



\*Note: Key California public pension laws include:

1. California Public Employees Retirement Law ("PERL") – Applicable to CalPERS, CalSTRS, but not the UC Regents
2. County Employee Retirement Law ("CERL") – Applicable to 20 county public employee retirement systems in California
3. California Public Employees' Pension Reform Act of 2013 (PEPRA). PEPRA applies to all California systems except those under their own city or county charter. Effective January 1, 2013, PEPRA implements significant public pension reform in efforts to reduce the cost of the public employee pension benefits.

While private sector pensions are subject solely to federal regulation under ERISA (Employee Retirement Income Security Act of 1974)\*, government pension plans are governed through state and local statutes. As such, governmental plans must comply with applicable state and local

## Section 2.0 GOVERNING STATUTES

constitutional and statutory requirements and case law; in addition to federal tax qualification laws and governmental accounting and reporting standards.

### **Federal Laws and Regulations**

Governmental plans are subject to federal regulations relating to Federal tax qualification, enforced by the U.S. Treasury Department and the Internal Revenue Service; and anti-fraud laws promulgated by the U.S. Securities and Exchange Commission (SEC).

### **Internal Revenue Code**

LACERS, like most governmental retirement systems, has been established and maintained as a qualified governmental retirement plan under the Internal Revenue Code ("IRC" or "Code") § 401(a). Ensuring compliance with section 401(a) qualification requirements protects the favorable tax treatment for members' benefits under this status.

The laws/regulations that most commonly affect defined benefit (DB) pension plans include:

- IRC § 401(a)(17): qualified DB plans must use pay that is the smaller of actual pensionable pay versus a dollar limit (called the 401(a)(17) limit) that changes yearly
- IRC § 415: qualified DB plans must limit the dollar amount of the benefit paid from the plan under certain circumstances
- Non discrimination rules: IRC § 410(b), IRC § 401(a)(4), IRC § 401(a)(26); Broadly speaking, forbids qualified DB plans from giving large amount of benefit to highly compensated employees
- Rules on distributions: lump sum must be no smaller than the lump sum calculated using mandated mortality and interest rate (IRC § 417(e)), spouse consent necessary for any non joint and survivor form of benefit (joint and survivor percent must be 50% or larger)
- Rules against assignment, garnishment
- Top heavy rules (IRC § 416): benefits for all non-highly compensated employees must be increased if the benefits for highly compensated employees are too large  
<https://www.irs.gov/pub/irs-pdf/p7002.pdf>

### **Federal Securities Laws**

Federal Securities Laws require adequate compliance policies and procedures to prevent wrongdoing in their money management functions. While public pension funds are exempt from most of the federal securities laws governing other money managers, they are not exempt from important anti-fraud provisions that prohibit insider trading and other manipulative and dishonest behavior. When public pension funds come into possession of material non-public information, they must have safeguards specifically designed to prevent the misuse of inside information, and avoid any personal gain from such transactions.

[\[http://www.sec.gov/news/press/2008/2008-35.htm\]](http://www.sec.gov/news/press/2008/2008-35.htm)

### **State Laws and Regulations**

**Article XVI of the California State Constitution (aka "Proposition 162" or "The California Pension Protection Act of 1992")**

## Section 2.0 GOVERNING STATUTES

The California Pension Protection Act of 1992 amended Section 17 of Article XVI of the California State Constitution and made several changes to California's public retirement systems; the Act:

- Provided the authority for the board of each public pension system to administer the system's assets and actuarial function
- Established that each public pension board is to make providing benefits to members and beneficiaries its' highest priority
- Set forth the conditions under which the terms and conditions for board membership may change; no changes may be made unless a majority of voters in the jurisdiction of the retirement system in question approve.

### **California State Constitution, Article 1 §9**

California case law recognizes ~~that the protected nature of~~ public pension rights ~~are governed by statute and not contract principles~~. "A public employee's pension constitutes an element of compensation, and a vested contractual right to pension benefits accrues upon acceptance of employment. Such a pension right may not be destroyed, once vested, without impairing a contractual obligation of the employing public entity. [[Betts v. Board of Admin., 582 P.2d 614 \(Cal. 1978\)](#)]; [Gutierrez v. Board of Retirement, 72 Cal Rptr 2d 837 \(1998\)](#); ~~[Betts v. Board of Admin., 582 P.2d 614 \(Cal. 1978\)](#)~~.  
<http://www.nasra.org/content.asp?contentid=59>

### **California Government Code Section 7500-7514.5**

Various provisions are contained in this section including: enabling the State Controller to gather information to compare and evaluate the financial condition of pension systems and to make such comparisons and evaluations; requiring the availability of direct deposit to members; enacting the California Actuarial Advisory Panel; addressing divestiture of plan assets; restricting use of placement agents; prohibiting lobbying within two years of leaving a retirement system; permitting purchase of fiduciary liability insurance; requiring an annual financial audit.

### **City Laws and Regulations**

#### **Charter of the City of Los Angeles**

Statutes establishing the authority assigned to LACERS are contained in the City Charter.

The City Charter has two volumes. The first volume establishes governance of the City, establishing departments, their assignments and authorities. The second volume establishes the employment provisions for the management of City employees, assignment of their civil service rights, and benefits including pension benefits.

#### **Los Angeles Administrative Code (LAAC)**

The benefits promised to LACERS ~~M~~members by the City are detailed in the LAAC. The LAAC is the guiding document for staff to determine such matters as the City's contribution, ~~M~~member's' contribution~~s~~, eligibility for membership in LACERS for Tier 1 and Tier 3, calculation of the service retirement, rules on spousal/domestic partner benefits, the disability benefit, service purchase rules, reciprocal benefits with other retirement systems; and parameters of optional programs

## Section 2.0 GOVERNING STATUTES

such as the Limited Term Retirement Plan, [the](#) larger annuity program, [and the](#) family death benefit plan.

Generally the LAAC provides detailed provisions to accompany the broader Charter provisions. City Charter provisions may only be changed by the voters while the LAAC is revised through ordinances adopted by the City Council and Mayor. The LAAC describes the powers and duties of the City Council and Mayor, and the various categories of Departments and their authorities. It contains general provisions applicable to the operation of all departments including the Governmental Ethics Ordinance, provisions on finance, purchasing, contracting, and records.

### **Executive Directives**

Through Executive Directives, the Mayor directs City Department actions in a variety of topic areas including guidance on City employee actions; participation in efforts to promote Mayoral goals such as emergency planning/coordination; ~~improving traffic, census counts,~~ sustainability practices, gender equity; ~~to supporting the bike plan, good food purchases,~~ homeless strategy, ~~language access, workplace equity,~~ and business inclusion.

### **LACERS Policies and Rules**

#### **Board Policies**

The Board adopts policies to ensure consistent treatment of a particular matter in a direction stated by the Board.

#### **Board Rules**

The Board will adopt rules when the statutes or laws are unclear or silent, and consistency is required; or when designated by statute [or ordinance](#) that the Board adopt rules and regulations for a specified program.

#### **Board Resolutions**

Board resolutions serve to document a specific decision of the Board in a standalone document.

In accordance with LAAC Sec. 21.16, "The powers conferred upon each board shall be exercised by order or resolution adopted by a majority of its members and recorded in the minutes with the ayes and noes at length. Such action shall be attested by the signatures of the President or Vice-President, or two members of the board, and by the signature of the Secretary of the board."

#### **Strategic Plan**

The Strategic Plan documents the Board's long-term goals for the System and sets the priority and direction for which the Board, staff, and key consultants should strive. In accordance with the Board's Strategic Planning Policy, progress on the accomplishment of the plan is analyzed and reported to the Board annually, and a comprehensive review of the plan is conducted triennially.

#### **General Manager Policy Memos**

The General Manager will issue policy memos to instruct staff on various matters.

## Section 2.0 GOVERNING STATUTES

### Department Policies and Procedures

Department policies and procedures are established and updated regularly to ensure that all staff will perform functions uniformly and for a consistent purpose.

### 2.4 Standards of Practice

*Added to Board Governance Statement on May 14, 2013; Revised: July 24, 2018; Revised: December 13, 2022*

LACERS acknowledges that the following entities establish sound professional standards and that LACERS is not necessarily required to follow these standards of practice but will endeavor to meet these standards when in the best interest of LACERS members.

#### Governmental Accounting Standards Board (GASB)

GASB is an independent, non-governmental organization whose purpose is to establish standards and guidelines for state and local government accounting principles. GASB issues Statements of Governmental Accounting Standards for the purpose of providing taxpayers, legislators, municipal bond analysts, and others with information that is useful to their decision-making process regarding governmental entities. LACERS complies with GASB standards governing how public pension assets and liabilities are measured and reported.

#### Government Finance Officers Association (GFOA)

The goal of GFOA is to enhance and promote the professional management of governments for the public benefit by identifying and developing financial policies and best practices and promoting their use through education, training, facilitation of member networking, and leadership.

LACERS adheres to GFOA guidelines in preparation of its Annual Comprehensive Financial Report. LACERS will also monitor GFOA issued policy statements which establish best practice standards in such areas as: asset allocation, member communications, retiree health benefits, pension fund risk, retirement plan design, system governance, and investment policies.

#### Employee Retirement Income Security Act of 1974

Private sector plans are governed by the Employee Retirement Income Security Act (ERISA) of 1974. While ERISA requirements are not applicable to plans of state and local government, LACERS recognizes ERISA standards as a high standard and will endeavor to meet ERISA standards when possible. ERISA, rooted in the principles of trust law, governs the fiduciary conduct and reporting requirements of private sector employee benefits plans through a system of exclusively Federal rights and remedies. It also contains provisions governing employee benefit plans that preempt state laws.

[http://en.wikipedia.org/wiki/Defined\\_benefit\\_pension\\_plan](http://en.wikipedia.org/wiki/Defined_benefit_pension_plan)<https://www.dol.gov/general/topic/retirement/erisa>

## Section 2.0 GOVERNING STATUTES

### 2.5 Key Documents by Reference

*Added to Board Governance Statement on May 14, 2013; Addendum - September 23, 2014; Revised: July 24, 2018; Revised: December 13, 2022*

The following are considered key documents whose guidelines/rules apply to LACERS. These documents are incorporated into the manual only by reference. An introduction to the documents is provided below and a full copy is available to the Board on the Board website and by request.

#### **Board Procedural Rules**

##### **“Brown Act”**

The Ralph M. Brown Act is California's open meeting law. The law's intent is to promote transparency and public access to government by requiring that the deliberations and actions of public bodies be conducted openly.

This law prohibits such acts as Board members having discussions ofwith a quorum of the Board without public notice and public access; as well as having serial discussions which are conducted outside of a public meeting.

#### **Governmental Ethics**

##### **State - California Political Reform Act of 1974 – “Form 700” Filing**

Because LACERS Trustees make decisions on investment of fund assets, youTrustees are placed in a special category by the California Government Code Section 87200-87210. As an “87200 filer” youTrustees must disclose certain financial interests that may pose a potential conflict between yourtheir personal interests and yourtheir public duties.

LACERS Trustees must file a “California Form 700” by April and October of each year.

- **California Fair Practices Act**  
<http://www.fppc.ca.gov/the-law.html>
- **California Fair Political Practices Commission (FPPC) Webpage**  
<http://www.fppc.ca.gov/>

##### **City of Los Angeles - Governmental Ethics Ordinance**

The Governmental Ethics Ordinance overlays s California state law, but imposes various additional provisions and restrictions on City officials and employees. Among these are a ban on use of resources for private benefit; prohibition of the misuse of position and resources; the disclosure of economic interests by City officials; and restrictions on gifts, outside income, honorariums for making speeches, post employment lobbying, and political activities.

LACERS Trustees must file a City addendum to their California Form 700, known as the City Ethics Commission Form 11. This form helps Trustees comply with the additional requirements under the City's Governmental Ethics Ordinance.

- **Governmental Ethics Ordinance (February 2014)**

## Section 2.0 GOVERNING STATUTES

[http://ethics.lacity.org/PDF/laws/law\\_geo\\_february2014.pdf](http://ethics.lacity.org/PDF/laws/law_geo_february2014.pdf)<https://ethics.lacity.org/wp-content/uploads/Laws-Ethics-GEO.pdf>

- **City Ethics Commission – Governmental Ethics Webpage**  
[https://ethics.lacity.org/ethics/](https://ethics.lacity.org/ethics/commissioners/)

### **City of Los Angeles Code of Ethics**

All City Officials and employees must abide by this Code of Ethics.

- **City Code of Ethics** (August 23, 1979)  
<http://ethics.lacity.org/PDF/MayorExecDir/CityCodeofEthics.pdf><https://ethics.lacity.org/wp-content/uploads/2017/10/CityCodeofEthics.pdf>
- **Mayoral Executive Directive 1 – Ethics in Government** (October 20, 2005)  
[http://ens.lacity.org/mayor/villaraigosa/mayorvillaraigosa331283115\\_07032013.pdf](http://ens.lacity.org/mayor/villaraigosa/mayorvillaraigosa331283115_07032013.pdf)
- **Mayoral Executive Directive 7 – Governmental Ethics: Departmental Liaison, Training, and Compliance** (July 12, 2006)  
[http://ens.lacity.org/mayor/villaraigosa/mayorvillaraigosa331283121\\_07122006.pdf](http://ens.lacity.org/mayor/villaraigosa/mayorvillaraigosa331283121_07122006.pdf)

### **Financial and Funding Reports**

#### **Annual Comprehensive Annual Financial Report (CAFRACFR)**

As a means to demonstrate LACERS' commitment to transparency, LACERS annually produces an [ACFR-CAFR](#) which presents a broad view of our financial condition including the System's financial statements, investment performance results, and actuarial valuations for retirement and health benefits.

The report is prepared in conformance with accounting principles generally accepted in the United States, the reporting guidelines set forth by the Government Accounting Standards Board (GASB), and the Los Angeles City Charter.

#### **Actuarial Valuations for Retirement and Health Benefits (Annual)**

An actuarial valuation can be thought of as a financial check-up for a pension or retiree health benefit plan. It measures current costs and contribution requirements to determine how much employers and employees should contribute to maintain appropriate benefit funding progress. The primary purpose of a valuation is to determine how much employers and employees should contribute to the plan during the upcoming year. The second key purpose of a valuation is to determine the plan's funding progress by examining how the plan's assets compare with its liabilities.

The LACERS Board selects the actuary to perform the actuarial studies; approves the actuarial methodologies and certain key assumptions; and monitors the funded status for both retirement benefits and health care benefits.

Section 2.0 GOVERNING STATUTES

**Actuarial Experience Study (Triennial)**

The purpose of an experience study is to compare the actual experience of the system against the current assumptions and to recommend new actuarial assumptions if necessary. The study reviews retirement rates, termination rates, mortality rates and rates of salary increase.

**LACERS Benefits**

**Summary Plan Description**

A Summary Plan Description is a document written for plan members which contains a comprehensive summary of a retirement plan, including the terms and conditions of participation.

LACERS prepares and distributes ~~to mMembers~~ separate Summary Plan Descriptions for Tier 1 mMembers and Tier 3 mMembers.

**Audit Reports**

**Annual Financial Audit**

Each year an external auditor retained by the Board will conduct a financial audit of the System in accordance with standards promulgated by the American Institute of Certified Public Accountants (AICPA). An external audit report provides assurances to the Board that LACERS' accounting records are complete and in adherence to generally accepted accounting principles, industry standards and regulatory requirements.

**Actuarial Audit**

Every five to seven years, the Board may direct an audit of our actuarial findings. A second actuarial firm is retained to validate the results of the retirement and health benefits valuations conducted by the consulting actuary, and to ensure the reasonableness of the underlying actuarial assumptions and the actuarial cost method utilized in performing such actuarial valuations.

**City's Management Audit**

Pursuant to City Charter Section 1112, the Los Angeles City Controller, the Office of the Mayor, and the Los Angeles City Council jointly cause, once every five years, a management audit to be conducted of LACERS by an independent qualified management auditing firm. Management audit reports were issued in 2007-2013 and in 2013-2022. The next management audit is expected to be conducted in 2019-2027.

The management audit report provides insight into perceived strengths and weaknesses of the pension system in comparison to industry best practices from the management audit firm's perspective.

Aksia LLC

Private Equity Portfolio Performance Report  
As of June 30, 2022



[www.aksia.com](http://www.aksia.com)

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## Aggregate Portfolio Summary As Of June 30, 2022

- As of June 30, 2022, the aggregate portfolio's fair market value of ~\$3.8 billion represented 18.2% of Total Plan Assets

Aggregate Portfolio Private Equity Exposure Summary	
Total Plan Market Value	\$20,600,086,387
Private Equity Exposure Target (%)	16.0%
Private Equity Exposure Target (\$)	\$3,296,013,822
Private Equity Exposure (%)	18.2%
Fair Market Value ("FMV")	\$3,757,800,802

- During the first half of 2022, the decrease in Total Plan Assets (-14.3%) was larger than the decrease of the LACERS' Private Equity Portfolio Fair Market Value (-3.0%)
- As of September 30, 2022, Total Plan Assets decreased quarter-over-quarter by ~3.2% to ~\$19.9 billion. This translates to private equity exposure of ~18.9% (based on private equity fair market value as of 6/30/22)
- While public equity markets have rebounded partially from their June lows, high volatility continued in Q3 2022. Total Plan Assets have decreased with private equity representing a larger portion of the total portfolio than at the start of 2022. While the pacing plan for 2022 originally called for \$1.375 billion in commitments, given market dynamics the actual commitment amount will likely be closer to \$1 billion

## Aggregate Portfolio Snapshot Year-Over-Year (6/30/2021 through 6/30/2022)

- Since the inception of the LACERS private equity program in 1995, LACERS has committed \$7.3 billion to 347 partnerships, of which 274 remain active as of 6/30/22
- For the year, contributions (\$784 million) slightly outpaced distributions (\$780 million)
- Over this same period, the fair market value of the private equity portfolio increased by \$323 million
- Since inception, the aggregate portfolio has generated a total value of 1.69x and a Net IRR of 12.5%

Aggregate Portfolio Snapshot (\$ millions)			
Portfolio Since Inception	6/30/22	6/30/21	Change (+/-)
Partnerships	347	316	+ 31
Active	274	252	+ 22
Inactive	73	64	+ 9
Sponsors	149	140	+ 9
Investment To Date Contributions	\$5,368	\$4,584	+ \$784
Investment To Date Distributions	\$5,305	\$4,526	+ \$780
Fair Market Value	\$3,758	\$3,435	+ \$323
TVPI <sup>1</sup>	1.69x	1.74x	- 0.05x
Net IRR	12.5%	12.7%	- 0.1%

<sup>1</sup>Total Value to Paid In Capital ("TVPI"): (Cumulative Distributions + Fair Market Value) / (Cumulative Contributions)

## The Aggregate Portfolio Can Be Grouped Into Vintage Year Buckets

- “Mature” bucket (\$106.9 million of fair market value with vintage years 1995-2009)
  - Minimal change year-over-year with respect to Net TVPI and Net IRR
  - Will have limited impact going forward given the small value relative to other buckets
- “Maturing” bucket (\$1,094.7 million of fair market value with vintage years 2010-2015)
  - Net TVPI increased 0.01x while the Net IRR decreased by ~1.02%
  - Potential for growth or decline to occur in these investments
  - Bulk of any near-term distributions are likely to come from the “Maturing” bucket
- “Developing” bucket (\$2,556.2 million of fair market value with vintage years 2016-2022)
  - Net TVPI decreased 0.07x while the Net IRR decreased by ~5.29%
  - Significant potential for growth or decline to occur in these investments
  - Bulk of the near-term contributions are likely to come from the “Developing” bucket

\$ millions									
Vintage Years	LTM <sup>1</sup> Contributions	ITD <sup>2</sup> Contributions	LTM <sup>1</sup> Distributions	ITD <sup>2</sup> Distributions	Fair Market Value	6/30/22 Net TVPI	Year Over Year Change Net TVPI	6/30/22 Net IRR	Year Over Year Change Net IRR
Mature (1995-2009)	\$-0.4	\$1,879.3	\$71.7	\$3,007.6	\$106.9	1.66x	-0.01x	10.52%	-0.07%
Maturing (2010-2015)	\$20.1	\$1,429.1	\$398.4	\$1,748.0	\$1,094.7	1.99x	0.01x	15.76%	-1.02%
Developing (2016-2022)	\$764.4	\$2,059.7	\$309.5	\$549.6	\$2,556.2	1.51x	-0.07x	24.61%	-5.29%
<b>Total Portfolio</b>	<b>\$784.2</b>	<b>\$5,368.1</b>	<b>\$779.7</b>	<b>\$5,305.2</b>	<b>\$3,757.8</b>	<b>1.69x</b>	<b>-0.05x</b>	<b>12.54%</b>	<b>-0.14%</b>

<sup>1</sup>Last 12 Months (“LTM”)

<sup>2</sup>Inception to Date (“ITD”)

## 10 Largest Sponsor Relationships (by total exposure)

- The top ten Sponsors by exposure account for 33.1% of aggregate portfolio exposure and 27.5% of active portfolio commitments

Firm	Number of Active Funds	Active Commitments	% of Total Active Commitments	Exposure (FMV + Unfunded)	% of Total Exposure	TVPI <sup>1</sup>	Net IRR <sup>1</sup>
Thoma Bravo	10	\$275,000,000	4.3%	\$327,685,670	5.5%	1.68x	22.5%
Vista Equity Partners	8	\$215,000,000	3.4%	\$241,968,319	4.0%	2.01x	21.2%
Advent International	7	\$235,000,000	3.7%	\$228,618,838	3.8%	1.81x	17.9%
Spark Management Partners	9	\$143,750,000	2.3%	\$222,390,196	3.7%	3.01x	30.1%
TCV (Technology Crossover Ventures)	6	\$185,000,000	2.9%	\$185,957,836	3.1%	1.97x	15.0%
Oak HC/FT	5	\$135,000,000	2.1%	\$184,471,076	3.1%	2.04x	36.3%
New Enterprise Associates	6	\$170,000,000	2.7%	\$165,787,951	2.8%	1.57x	14.8%
Harvest Partners	3	\$120,000,000	1.9%	\$146,092,090	2.4%	1.70x	25.8%
Hellman & Friedman	10	\$130,000,001	2.0%	\$145,566,601	2.4%	1.82x	20.2%
TA Associates	4	\$140,000,000	2.2%	\$143,458,623	2.4%	2.25x	23.0%

<sup>1</sup>Inception-to-date performance includes liquidated holdings.

# SUMMARY OF Q1 2022 & Q2 2022 ACTIVITY

## New Investments made in Q1 2022 & Q2 2022

Commitments – 1/1/22 – 6/30/22						
Closing Date	Sponsor <sup>1</sup>	Partnership	Fund Size <sup>2</sup> (\$ millions)	New or Existing	Investment Strategy	Commitment Amount (\$ millions)
1/31/2022	<b>LightBay Capital<sup>1</sup></b>	LightBay Investment Partners II LP	\$872	New	Buyout - Small	\$25
1/31/2022	<b>Thoma Bravo LP</b>	Thoma Bravo Fund XV LP	\$24,800	Existing	Buyout - Large	\$80
		Thoma Bravo Discover Fund IV LP	\$6,100		Buyout - Medium	\$45
2/24/2022	<b>Francisco Partners Management LP</b>	Francisco Partners Agility III LP	\$3,300	New	Buyout - Medium	\$18
		Francisco Partners VII A LP	\$13,500		Buyout - Medium	\$50
3/10/2022	<b>1315 Capital<sup>1</sup></b>	1315 Capital III LP	\$246	Existing	Growth Equity	\$30
3/10/2022	<b>HgCapital</b>	Hg Saturn 3 A LP	\$17,500	Existing	Buyout - Large	\$40
4/11/2022		HgCapital Genesis 10 A LP	\$5,406		Buyout - Large	\$39
4/28/2022	<b>Advent International</b>	Advent International GPE X	\$25,000	Existing	Buyout - Large	\$60
4/29/2022	<b>Nordic Capital</b>	Nordic Capital Fund XI Beta LP	\$9,000	Existing	Buyout - Large	\$48
5/11/2022	<b>Oak HC/FT</b>	Oak HC-FT Partners V-A LP	\$1,940	Existing	Venture - Multi-Stage	\$50
6/9/2022	<b>L2 Point<sup>1</sup></b>	L2 Point Opportunities I LP	\$101	New	Mezzanine	\$30
6/13/2022	<b>TCV</b>	TCV XII LP	\$2,400	Existing	Growth Equity	\$60
6/30/2022	<b>Bessemer Venture Partners</b>	Bessemer Venture Partners XII Institutional Fund LP	\$3,850	New	Venture - Early Stage	\$25
<b>Total</b>	<b>11</b>	<b>14</b>				<b>\$599</b>

<sup>1</sup>Qualifies as an Emerging Manager based on LACERS' definition.

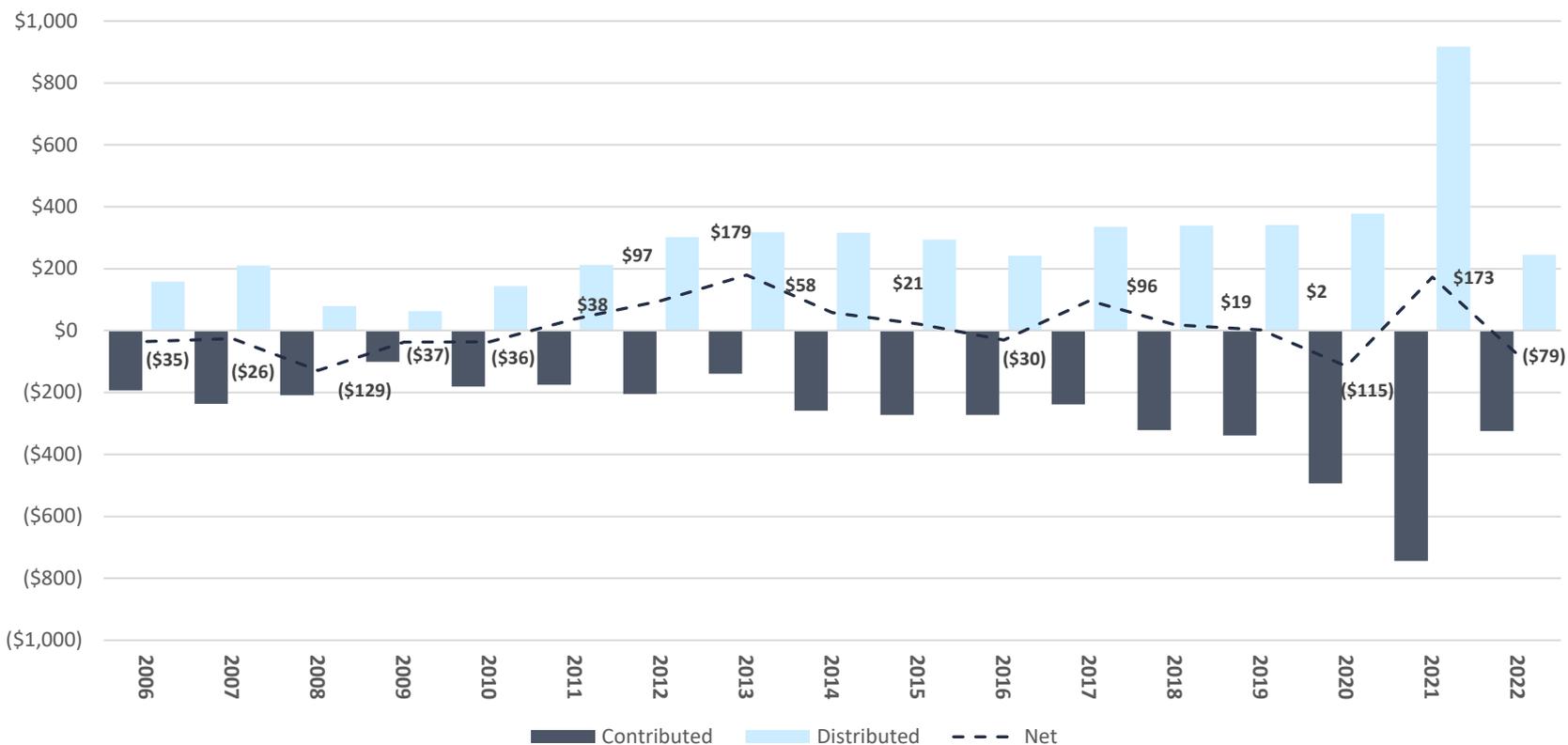
<sup>2</sup>Total capital raised as confirmed by the general partner. If the general partner has yet to provide closing data, the fund size will represent the target fund size.

## Commitment Statistics

- Commitments were made to 14 different funds totaling \$599.3 million
  - 9 commitments were made to existing Sponsor relationships (\$451.8 million)
  - 5 commitments were made to new Sponsor relationships (\$147.5 million)
  - The average commitment amount was \$46.8 million per Sponsor (excluding Emerging Managers)
- 67% of commitments went to Buyout focused firms
  - “Large Buyouts” accounted for ~45% of commitments
  - “Medium Buyouts” accounted for ~19% of commitments
- 13% of commitments went to Venture Capital
  - “Venture – Multi-Stage” accounted for ~8% of commitments
- 5% of commitments went to Credit/Distressed
- 15% of commitments went to Growth Equity
- *3 of the 14 fund commitments were made to Sponsors that qualify as Emerging Managers under LACERS' definition, with an average commitment amount of \$28.3 million per Emerging Manager Sponsor*

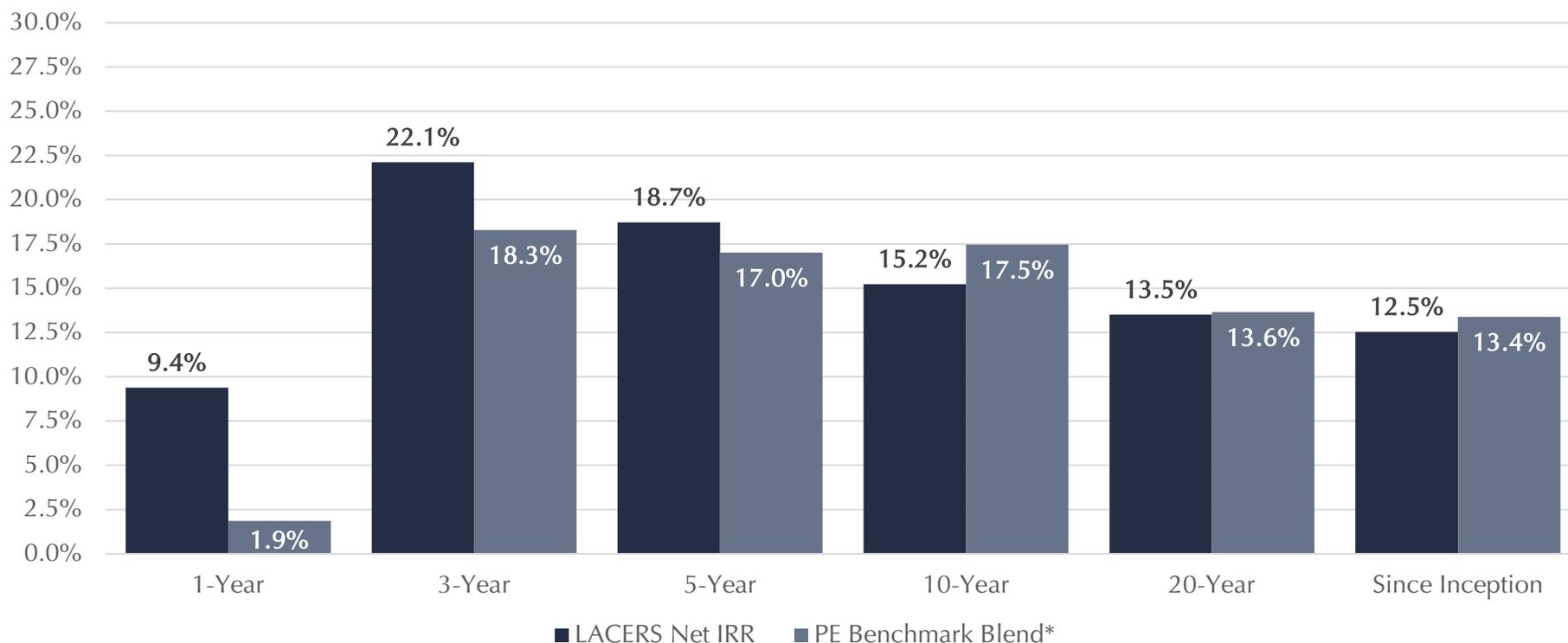
## Private Equity Program Cash Flow Profile Over Time

- LACERS' private equity portfolio is relatively mature and has been largely cash flow positive over the last decade even with higher capital calls the last two years



## Horizon Returns for LACERS' Private Equity Program vs. PE Benchmark Blend

- LACERS Private Equity Benchmark is a historical blend of the Russell 3000 and Cambridge Associates benchmarks



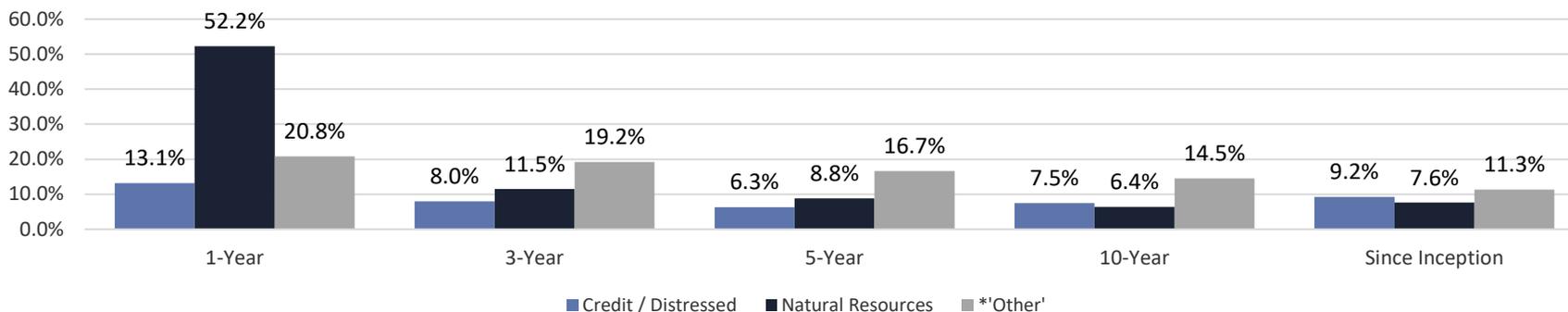
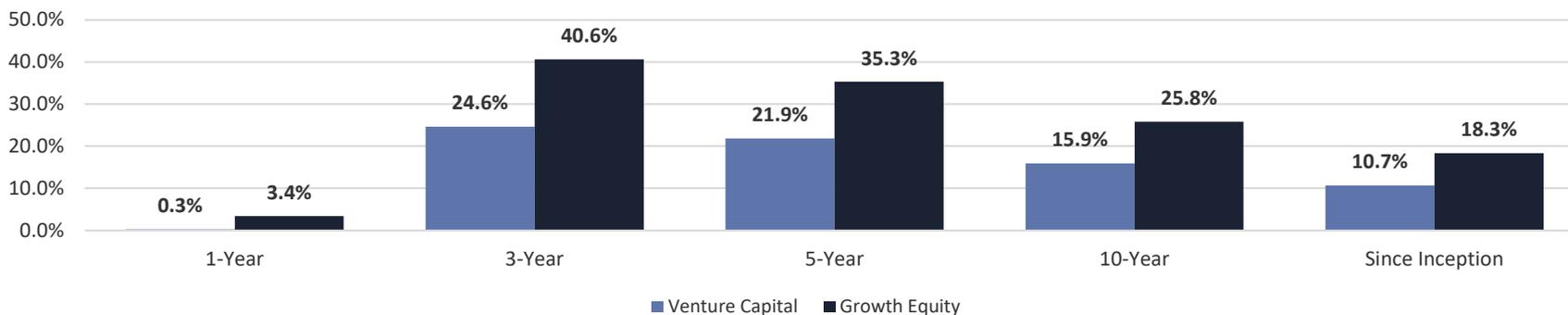
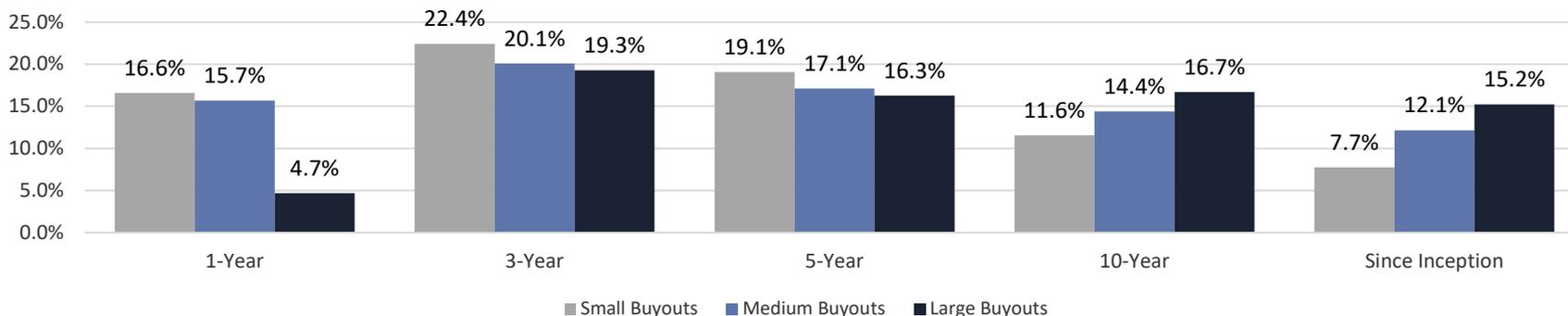
\* Note: On January 25, 2022, the Board approved a benchmark change to the Cambridge Associates Global Private Equity and Venture Capital Index. The new benchmark includes the Russell 3000 Index + 400bps (inception – January 31, 2012), the Russell 3000 Index + 300bps (February 1, 2012 – December 31, 2021), and the Cambridge Associates Global PE and VC Index, beginning January 1, 2022. All performance data is as of June 30, 2022.

Performance by Strategy and Sub-Strategy (Inception-to-Date)

Sub-Strategy	Commitment	Contributions	Percent Called	Distributions	Percent Distributed	Fair Market Value	TVPI	Net IRR*
Large	\$1,931,202,745	\$1,420,118,164	73.54%	\$1,541,079,518	79.80%	\$897,800,336	1.72x	15.2%
Medium	\$2,168,746,313	\$1,594,992,190	73.54%	\$1,649,983,476	76.08%	\$1,020,639,190	1.67x	12.1%
Small	\$265,600,562	\$200,476,313	75.48%	\$175,724,463	66.16%	\$116,217,256	1.46x	7.7%
<b>Buyouts Total</b>	<b>\$4,365,549,620</b>	<b>\$3,215,586,667</b>	<b>73.66%</b>	<b>\$3,366,787,457</b>	<b>77.12%</b>	<b>\$2,034,656,783</b>	<b>1.68x</b>	<b>13.0%</b>
Credit	\$80,000,000	\$79,163,455	98.95%	\$28,204,235	35.26%	\$51,364,448	1.01x	0.2%
Distressed	\$524,531,008	\$482,211,615	91.93%	\$444,431,978	84.73%	\$196,587,289	1.33x	10.1%
Mezzanine	\$65,000,000	\$43,911,727	67.56%	\$30,371,766	46.73%	\$22,084,585	1.19x	5.7%
<b>Credit / Distressed Total</b>	<b>\$669,531,008</b>	<b>\$605,286,797</b>	<b>90.40%</b>	<b>\$503,007,979</b>	<b>75.13%</b>	<b>\$270,036,321</b>	<b>1.28x</b>	<b>9.2%</b>
Growth Equity	\$837,297,154	\$477,874,335	57.07%	\$509,952,960	60.90%	\$601,446,636	2.33x	18.3%
<b>Growth Equity Total</b>	<b>\$837,297,154</b>	<b>\$477,874,335</b>	<b>57.07%</b>	<b>\$509,952,960</b>	<b>60.90%</b>	<b>\$601,446,636</b>	<b>2.33x</b>	<b>18.3%</b>
Energy	\$330,000,000	\$306,755,677	92.96%	\$251,730,844	76.28%	\$169,843,771	1.37x	7.6%
<b>Natural Resources Total</b>	<b>\$330,000,000</b>	<b>\$306,755,677</b>	<b>92.96%</b>	<b>\$251,730,844</b>	<b>76.28%</b>	<b>\$169,843,771</b>	<b>1.37x</b>	<b>7.6%</b>
Fund of Funds	\$20,000,000	\$19,179,059	95.90%	\$31,288,815	156.44%	\$0	1.63x	7.4%
Secondaries	\$175,000,000	\$78,474,033	44.84%	\$48,643,385	27.80%	\$68,856,487	1.50x	17.1%
<b>Other Total</b>	<b>\$195,000,000</b>	<b>\$97,653,092</b>	<b>50.08%</b>	<b>\$79,932,200</b>	<b>40.99%</b>	<b>\$68,856,487</b>	<b>1.52x</b>	<b>11.3%</b>
Early Stage	\$267,670,000	\$159,289,217	59.51%	\$182,037,560	68.01%	\$232,312,549	2.60x	43.0%
Expansion Stage	\$20,000,000	\$8,820,000	44.10%	\$0	0.00%	\$9,897,474	1.12x	n.m.
Late Stage	\$135,000,000	\$131,120,212	97.13%	\$132,582,309	98.21%	\$121,581,036	1.94x	9.1%
Multi-Stage	\$485,217,369	\$365,711,407	75.37%	\$279,148,342	57.53%	\$249,169,743	1.44x	6.8%
<b>Venture Capital Total</b>	<b>\$907,887,369</b>	<b>\$664,940,836</b>	<b>73.24%</b>	<b>\$593,768,212</b>	<b>65.40%</b>	<b>\$612,960,802</b>	<b>1.81x</b>	<b>10.7%</b>
<b>Total</b>	<b>\$7,305,265,151</b>	<b>\$5,368,097,403</b>	<b>73.48%</b>	<b>\$5,305,179,652</b>	<b>72.62%</b>	<b>\$3,757,800,802</b>	<b>1.69x</b>	<b>12.5%</b>

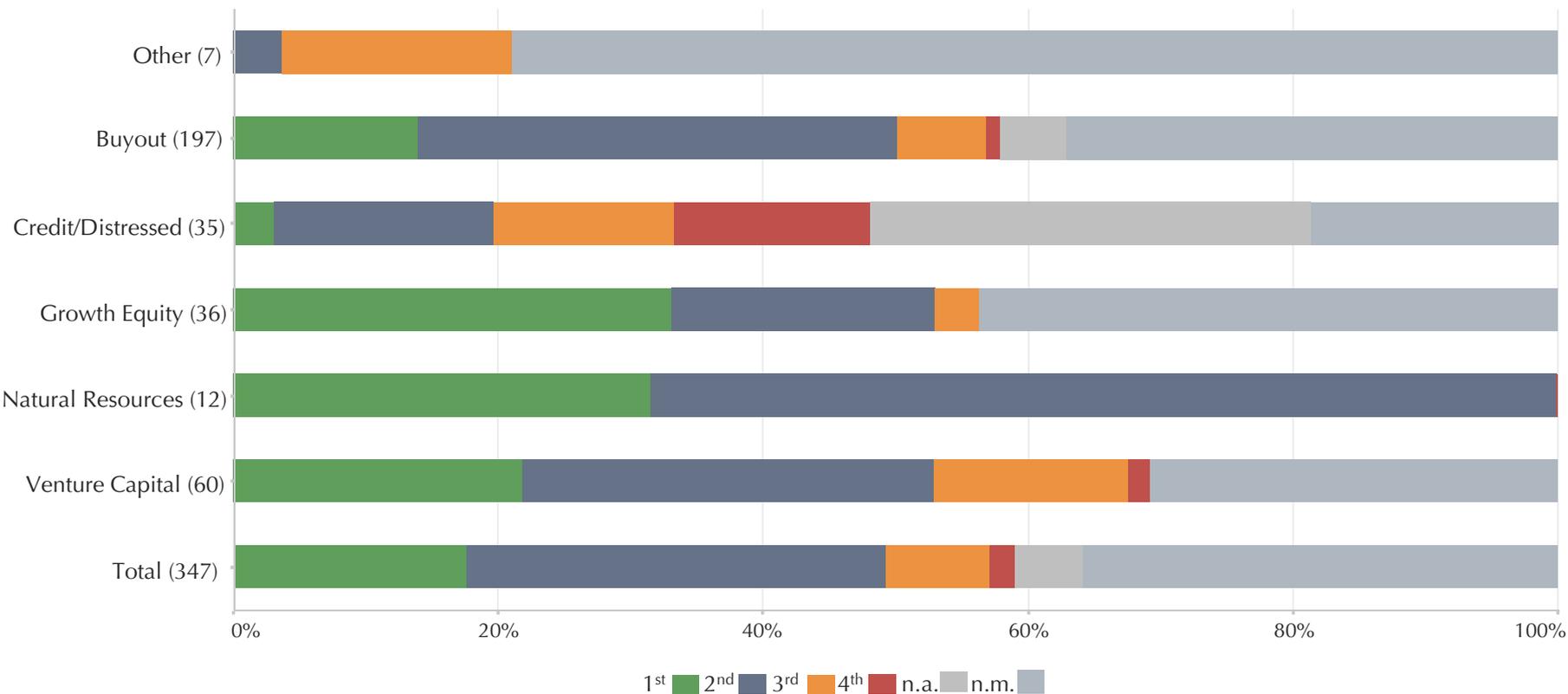
\*IRRs of investments held less than two years generally is not a meaningful indicator of performance and are therefore labeled "n.m."

## Horizon Net Returns by Sub-Strategy



\*The 'Other' category includes LACERS' investments in Secondary Funds and Fund of Funds.

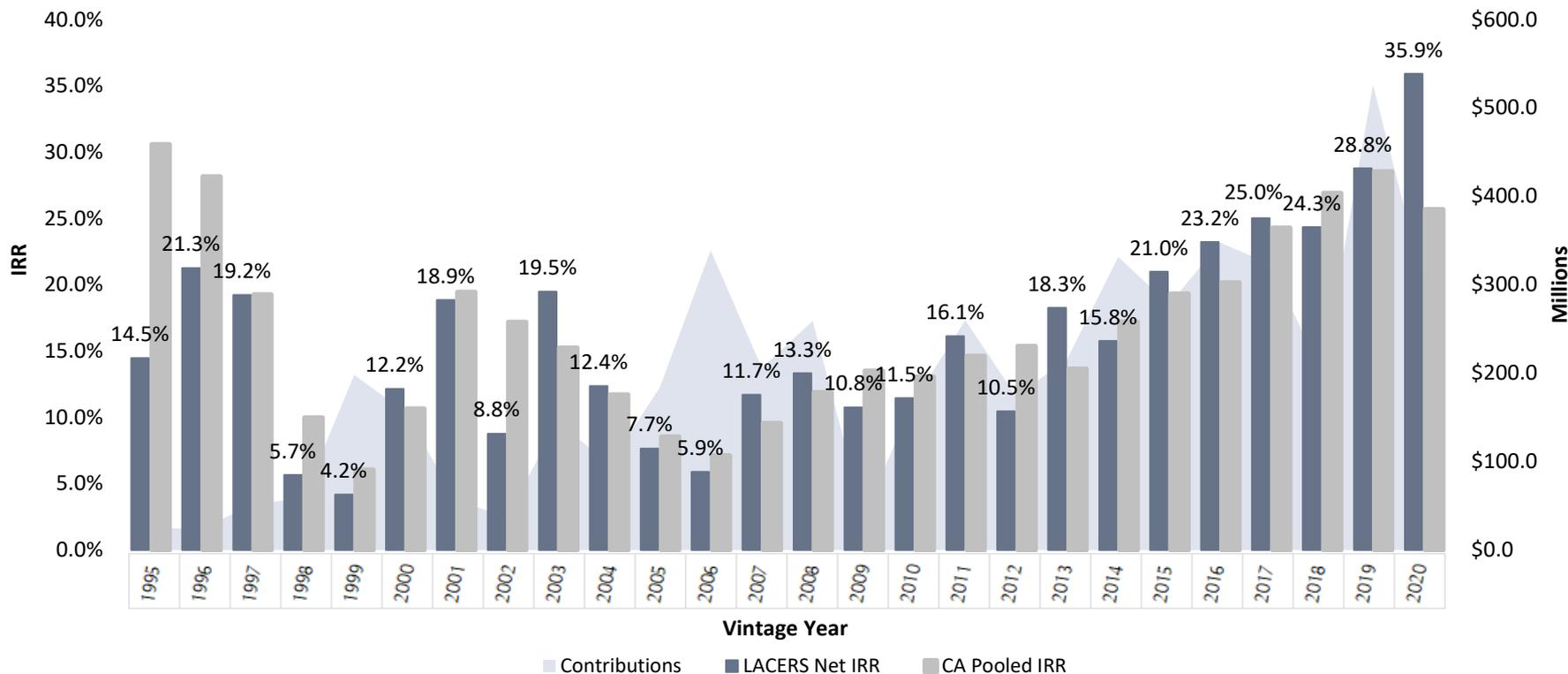
## Portfolio Strategy vs. Cambridge Associates<sup>1</sup> % of Contributed Capital as of June 30, 2022



<sup>1</sup>All quartiles are based on Cambridge Associates data as of June 30, 2022. Funds where corresponding benchmark data is not available from Cambridge Associates Benchmark are categorized as "NA" and funds where the first capital call date is younger than two years are categorized as "NM". Funds with total commitments equal to zero are excluded from the calculation. Cambridge Associates data is continually updated and subject to change.

## Portfolio Vintage Years vs. Cambridge Associates<sup>1</sup>

June 30, 2022



<sup>1</sup>Cambridge Associates pooled Net IRRs are as of June 30, 2022. Pooled IRRs are comprised of similar regions and strategies as those in the LACERS portfolio. IRRs of funds younger than two years are not considered meaningful and have been excluded.

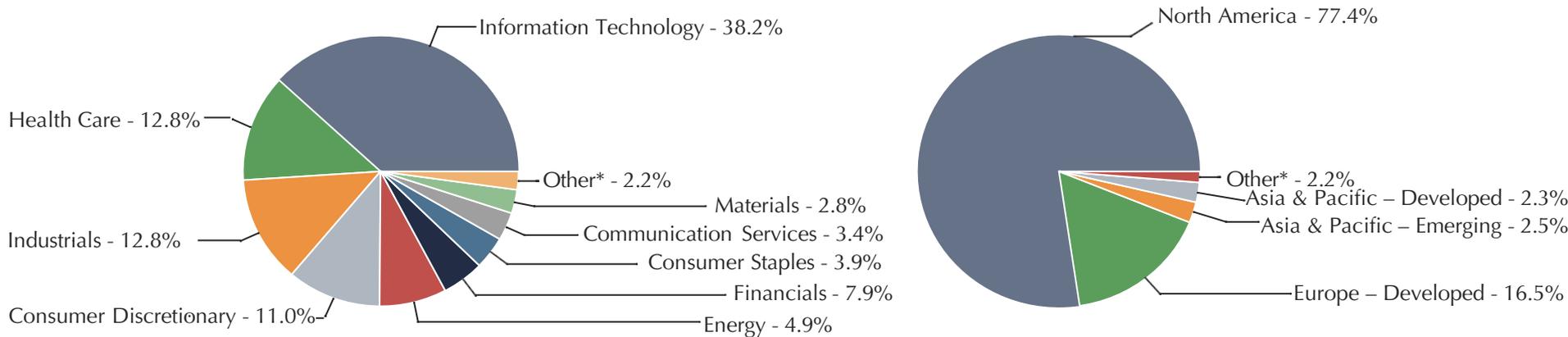
### Overall Exposure

- Private Equity exposure was 18.2% as of June 30, 2022 versus 16.0% target

### Performance Since Inception

- The Aggregate Portfolio has generated a Net IRR of 12.5% and a TVPI of 1.69x
- The Core Portfolio has generated a Net IRR of 13.0% and a TVPI of 1.71x
- The Specialized Portfolio has generated a Net IRR of 2.0% and a TVPI of 1.13x

### Diversification



\*Other: Represents the total of investments in sectors or geographies that constitute <1% of the NAV.

## APPENDIX

- “Fund-By-Fund” Returns
  - Active Core Portfolio
  - Liquidated Core Portfolio
  - Active Specialized Portfolio
  - Liquidated Specialized Portfolio

## CORE PORTFOLIO SUMMARY AS OF 6/30/2022- ACTIVE

Fund	Strategy	Sub-Strategy	Vintage Year	USD Commitment	USD ITD Contributions	USD ITD Distributions	USD Fair Market Value	Net IRR
1315 Capital Fund	Venture Capital	Venture - Late Stage	2015	10,000,000	9,640,471	6,071,284	12,087,238	17.7%
1315 Capital Fund II	Venture Capital	Venture - Late Stage	2018	10,000,000	6,907,715	1,762,974	8,327,900	22.3%
1315 Capital Fund III	Growth Equity	Growth Equity	2022	30,000,000	-	-	-	n.m.
ABRY Advanced Securities Fund III	Credit/Distressed	Credit	2014	20,000,000	25,540,136	9,344,730	14,914,282	-1.5%
ABRY Advanced Securities Fund IV	Credit/Distressed	Credit	2018	40,000,000	34,461,350	9,107,175	23,501,493	-4.1%
ABRY Heritage Partners	Buyout	Buyout - Small	2016	10,000,000	10,148,808	10,319,220	6,700,333	27.4%
ABRY Partners IX	Buyout	Buyout - Medium	2019	40,000,000	34,863,107	6,082,793	37,364,892	14.3%
ABRY Partners VIII	Buyout	Buyout - Medium	2014	25,000,000	28,482,865	35,571,709	4,817,805	10.2%
ABRY Senior Equity V	Credit/Distressed	Mezzanine	2016	10,000,000	10,158,623	2,999,132	11,702,638	18.6%
ACON Equity Partners 3.5	Buyout	Buyout - Medium	2012	20,000,000	18,034,492	19,912,616	435,177	2.7%
Advent Global Technology	Buyout	Buyout - Medium	2019	15,000,000	14,024,999	-	18,196,423	20.2%
Advent Global Technology II	Buyout	Buyout - Medium	2021	30,000,000	6,760,511	-	6,231,351	n.m.
Advent International GPE IX	Buyout	Buyout - Large	2019	45,000,000	31,166,206	3,598,202	54,722,050	49.0%
Advent International GPE VI A	Buyout	Buyout - Medium	2008	20,000,000	20,000,000	40,162,749	1,825,911	16.5%
Advent International GPE VII B	Buyout	Buyout - Large	2012	30,000,000	28,500,000	46,324,310	6,187,447	13.8%
Advent International GPE VIII B-2	Buyout	Buyout - Large	2016	35,000,000	35,000,000	25,565,736	41,907,372	19.6%
Advent International GPE X	Buyout	Buyout - Large	2022	60,000,000	-	-	-	n.m.
AION Capital Partners	Credit/Distressed	Credit	2012	20,000,000	19,161,969	9,752,330	12,948,673	4.6%
American Securities Partners VII	Buyout	Buyout - Medium	2016	25,000,000	24,058,560	9,355,045	34,955,190	17.2%
American Securities Partners VIII	Buyout	Buyout - Large	2019	40,000,000	31,531,948	353,102	42,672,589	29.9%
Angeles Equity Partners I	Credit/Distressed	Distressed	2015	10,000,000	8,022,506	6,879,336	5,246,439	18.5%

## CORE PORTFOLIO SUMMARY AS OF 6/30/2022- ACTIVE

Fund	Strategy	Sub-Strategy	Vintage Year	USD Commitment	USD ITD Contributions	USD ITD Distributions	USD Fair Market Value	Net IRR
Apollo Investment Fund IV	Buyout	Buyout - Large	1998	5,000,000	4,989,241	8,320,973	(40)	8.5%
Apollo Investment Fund VI	Buyout	Buyout - Large	2006	15,000,000	14,372,999	23,957,457	273,474	8.6%
Apollo Investment Fund VII	Buyout	Buyout - Large	2008	20,000,000	17,573,751	35,550,501	317,819	22.6%
Apollo Investment Fund VIII	Buyout	Buyout - Large	2013	40,000,000	35,068,943	35,779,263	18,269,333	10.5%
Arsenal Capital Partners VI	Buyout	Buyout - Medium	2022	50,000,000	7,363,115	-	6,159,919	n.m.
Ascribe Opportunities Fund II	Credit/Distressed	Distressed	2010	20,000,000	30,537,420	31,202,934	2,024,055	3.1%
Ascribe Opportunities Fund III	Credit/Distressed	Distressed	2014	30,000,000	50,391,611	40,410,909	3,118,914	-15.8%
Ascribe Opportunities Fund IV	Credit/Distressed	Distressed	2019	25,000,000	13,256,848	1,513,120	12,149,218	11.8%
Astorg VI	Buyout	Buyout - Medium	2015	25,625,875	21,228,378	24,439,629	11,613,957	15.1%
Astorg VII	Buyout	Buyout - Medium	2019	36,123,864	31,977,722	-	38,874,942	18.1%
Astra Partners I	Buyout	Buyout - Small	2017	10,000,000	6,187,040	(28,358)	6,055,669	-1.1%
Avance Investment Partners	Buyout	Buyout - Small	2021	20,000,000	7,423,883	648,441	6,577,178	n.m.
Bain Capital Asia Fund III	Buyout	Buyout - Large	2016	15,000,000	15,428,786	10,900,889	13,782,462	20.3%
Bain Capital Double Impact Fund	Buyout	Buyout - Small	2016	10,000,000	10,544,474	6,801,798	10,107,624	25.1%
Barings Emerging Generation Fund	Other	Secondaries	2021	25,000,000	8,778,103	(333,543)	11,650,521	n.m.
BC European Capital IX	Buyout	Buyout - Large	2011	17,665,048	19,361,271	23,972,107	9,664,952	12.0%
BC European Capital X	Buyout	Buyout - Large	2017	31,651,237	29,743,063	5,546,369	35,568,980	11.0%
BDCM Opportunity Fund IV	Credit/Distressed	Distressed	2015	25,000,000	31,724,819	15,797,552	36,860,069	15.0%
Bessemer Venture Partners XII Institutional Fund Venture Capital		Venture - Early Stage	2022	25,000,000	-	-	-	n.m.
Biospring Partners Fund	Growth Equity	Growth Equity	2022	20,000,000	5,480,540	-	2,894,827	n.m.
Blackstone Capital Partners V & V-S	Buyout	Buyout - Large	2005	19,799,726	19,297,288	32,498,987	119,535	7.9%

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Fund	Strategy	Sub-Strategy	Vintage Year	USD Commitment	USD ITD Contributions	USD ITD Distributions	USD Fair Market Value	Net IRR
Blackstone Capital Partners VI	Buyout	Buyout - Large	2011	20,000,000	19,311,288	26,843,559	8,308,361	12.2%
Blackstone Energy Partners	Natural Resources	Energy	2011	25,000,000	23,679,796	34,901,203	6,023,223	11.4%
Blue Sea Capital Fund I	Buyout	Buyout - Small	2013	10,000,000	9,168,182	14,825,595	5,643,013	19.8%
Brentwood Associates Private Equity VI	Buyout	Buyout - Medium	2017	25,000,000	27,446,761	11,065,927	30,321,527	30.1%
Builders VC Fund II	Venture Capital	Venture - Early Stage	2021	10,000,000	2,300,000	-	2,603,586	12.5%
Carlyle Partners V	Buyout	Buyout - Large	2007	30,000,000	26,714,020	49,391,205	2,918,965	13.8%
CenterGate Capital Partners I	Buyout	Buyout - Small	2015	10,000,000	5,406,216	5,741,024	4,565,262	23.7%
Charterhouse Capital Partners IX	Buyout	Buyout - Large	2008	17,650,992	17,448,610	22,915,437	444,775	9.4%
CHP III	Venture Capital	Venture - Early Stage	2006	15,000,000	15,000,000	33,666,566	8,530,940	12.0%
Clearlake Capital Partners VI	Credit/Distressed	Distressed	2020	30,000,000	27,917,281	2,473,952	40,968,031	45.7%
Clearlake Capital Partners VII	Buyout	Buyout - Large	2021	75,000,000	23,461,608	1,826	22,443,250	n.m.
Coller International Partners VI	Other	Secondaries	2011	25,000,000	18,818,470	28,404,741	4,964,302	15.4%
CVC Capital Partners VII	Buyout	Buyout - Large	2017	28,567,140	24,319,718	3,513,413	35,955,208	26.1%
CVC Capital Partners VIII	Buyout	Buyout - Large	2021	50,206,765	10,116,958	-	11,060,519	n.m.
CVC European Equity Partners III	Buyout	Buyout - Large	2001	15,000,000	14,776,341	41,619,578	1,037,776	41.0%
CVC European Equity Partners IV	Buyout	Buyout - Large	2005	26,008,211	23,257,442	46,521,992	34,968	16.7%
CVC European Equity Partners V	Buyout	Buyout - Large	2008	18,815,039	18,352,938	38,196,242	632,674	16.8%
Defy Partners I	Venture Capital	Venture - Early Stage	2017	10,000,000	9,200,000	2,251,655	11,056,999	14.5%
Defy Partners II	Venture Capital	Venture - Early Stage	2019	18,010,000	9,365,200	-	14,568,799	34.6%
Defy Partners III	Venture Capital	Venture - Early Stage	2021	20,000,000	1,000,000	-	896,188	n.m.
DFJ Growth 2013	Growth Equity	Growth Equity	2013	25,000,000	25,126,311	108,055,748	34,131,788	33.6%

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Fund	Strategy	Sub-Strategy	Vintage Year	USD Commitment	USD ITD Contributions	USD ITD Distributions	USD Fair Market Value	Net IRR
DFJ Growth III	Growth Equity	Growth Equity	2017	15,000,000	14,325,000	8,137,930	24,407,666	29.9%
EIG Energy Fund XVI	Natural Resources	Energy	2013	25,000,000	23,629,284	15,250,967	16,092,130	7.0%
Encap Energy Capital Fund IX	Natural Resources	Energy	2012	30,000,000	29,154,248	28,387,324	14,429,178	10.0%
Encap Energy Capital Fund VIII	Natural Resources	Energy	2010	15,000,000	14,933,115	8,565,384	6,723,085	0.5%
Encap Energy Capital Fund X	Natural Resources	Energy	2015	35,000,000	33,358,837	23,675,730	39,553,695	16.7%
EnCap Energy Capital Fund XI	Natural Resources	Energy	2017	40,000,000	27,979,312	3,260,117	36,489,228	18.8%
Energy Capital Partners II	Natural Resources	Energy	2009	20,000,000	13,945,375	20,356,281	76,476	9.1%
Energy Capital Partners III	Natural Resources	Energy	2014	40,000,000	39,152,794	34,295,473	26,626,092	11.0%
Essex Woodlands Health Ventures Fund IV	Venture Capital	Venture - Late Stage	1998	4,000,000	4,000,000	5,227,551	524,439	7.2%
Essex Woodlands Health Ventures Fund V	Venture Capital	Venture - Late Stage	2000	10,000,000	10,000,000	10,591,086	1,083,413	3.2%
Essex Woodlands Health Ventures Fund VI	Venture Capital	Venture - Multi-Stage	2004	15,000,000	14,587,500	16,028,797	4,422,200	3.6%
FIMI Opportunity V	Buyout	Buyout - Medium	2012	20,000,000	18,194,334	22,671,097	16,443,000	14.2%
First Reserve Fund XI	Natural Resources	Energy	2006	30,000,000	30,000,000	21,071,746	15,749	-7.9%
First Reserve Fund XII	Natural Resources	Energy	2008	25,000,000	25,990,474	12,588,859	198,658	-17.7%
Fortress Credit Opportunities V Expansion	Credit/Distressed	Distressed	2020	50,000,000	17,240,413	3,246,275	16,245,288	17.5%
Francisco Partners Agility III	Buyout	Buyout - Medium	2022	17,500,000	-	-	-	n.m.
Francisco Partners VII	Buyout	Buyout - Medium	2022	50,000,000	-	-	-	n.m.
FS Equity Partners VIII	Buyout	Buyout - Medium	2019	25,000,000	15,535,101	688,936	25,312,964	33.5%
General Catalyst Group X - Early Venture	Venture Capital	Venture - Early Stage	2020	10,000,000	9,400,000	-	19,599,070	69.9%
General Catalyst Group X - Endurance	Venture Capital	Venture - Multi-Stage	2020	11,666,667	11,666,667	-	13,281,605	9.8%
General Catalyst Group X - Growth Venture	Growth Equity	Growth Equity	2020	16,666,666	15,749,999	-	25,669,953	39.8%

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Fund	Strategy	Sub-Strategy	Vintage Year	USD Commitment	USD ITD Contributions	USD ITD Distributions	USD Fair Market Value	Net IRR
General Catalyst Group XI - Creation LP	Venture Capital	Venture - Early Stage	2021	13,000,000	3,156,814	-	3,084,199	n.m.
General Catalyst Group XI - Endurance LP	Growth Equity	Growth Equity	2021	44,000,000	23,898,167	7,971	23,014,010	n.m.
General Catalyst Group XI - Ignition LP	Venture Capital	Venture - Early Stage	2021	18,000,000	7,374,139	1,993	7,338,354	n.m.
Genstar Capital Partners IX	Buyout	Buyout - Medium	2019	25,000,000	23,338,309	3,147,669	37,417,689	43.1%
Genstar Capital Partners X	Buyout	Buyout - Large	2021	32,500,000	6,670,767	-	6,851,424	n.m.
Genstar IX Opportunities Fund I	Buyout	Buyout - Large	2019	25,000,000	21,163,451	559,135	36,173,514	32.8%
Genstar X Opportunities Fund I	Buyout	Buyout - Large	2021	25,000,000	6,869,783	-	7,190,293	n.m.
GGV Capital VIII	Venture Capital	Venture - Expansion Stage	2021	16,000,000	7,200,000	-	8,217,137	18.1%
GGV Capital VIII Plus	Venture Capital	Venture - Expansion Stage	2021	4,000,000	1,620,000	-	1,680,337	5.2%
Gilde Buy-Out Fund V	Buyout	Buyout - Medium	2016	27,121,713	25,598,101	22,814,667	34,232,196	26.3%
Gilde Buy-Out Fund VI	Buyout	Buyout - Medium	2019	39,684,790	18,068,396	1,042,379	17,930,940	5.6%
Glendon Opportunities Fund	Credit/Distressed	Distressed	2014	20,000,000	18,990,996	22,461,592	6,205,908	8.1%
Glendon Opportunities Fund II	Credit/Distressed	Distressed	2019	40,000,000	30,000,000	-	41,527,446	19.6%
Green Equity Investors V	Buyout	Buyout - Large	2007	20,000,000	18,309,236	46,457,009	635,430	19.5%
Green Equity Investors VI	Buyout	Buyout - Large	2012	20,000,000	18,842,973	19,869,255	22,485,183	15.3%
Green Equity Investors VII	Buyout	Buyout - Large	2017	25,000,000	22,306,499	14,460,767	36,202,648	27.0%
GTCR Fund VIII	Buyout	Buyout - Medium	2003	20,000,000	18,520,960	32,142,142	256,732	22.3%
GTCR Fund XII-AB	Buyout	Buyout - Medium	2017	40,000,000	40,978,021	25,396,657	43,158,534	32.0%
GTCR Fund XIII-AB	Buyout	Buyout - Medium	2020	40,000,000	9,944,000	1,447,324	12,975,726	n.m.
H&F Arrow 1	Buyout	Buyout - Large	2020	-	3,501,228	-	5,923,277	33.1%
H&F Spock 1	Buyout	Buyout - Large	2018	-	3,266,786	335,718	10,221,918	32.1%

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H.I.G. Europe Middle Market LBO Fund	Buyout	Buyout - Medium	2020	49,552,926	2,626,069	(10,678)	2,635,741	-0.1%
Halifax Capital Partners II	Buyout	Buyout - Small	2005	10,000,001	8,104,233	10,703,687	155,458	7.5%
HarbourVest Partners Co-Investment Fund VI	Other	Secondaries	2021	50,000,000	2,500,000	-	2,292,273	n.m.
Harvest Partners IX	Buyout	Buyout - Medium	2021	50,000,000	-	-	(761,206)	n.m.
Harvest Partners VII	Buyout	Buyout - Medium	2016	20,000,000	19,438,878	17,911,712	28,377,682	26.4%
Harvest Partners VIII	Buyout	Buyout - Medium	2019	50,000,000	45,225,248	10,095,569	54,110,713	25.7%
Hellman & Friedman Capital Partners IX	Buyout	Buyout - Large	2019	30,000,000	29,326,455	737,756	35,190,885	14.7%
Hellman & Friedman Capital Partners VI	Buyout	Buyout - Large	2006	20,000,000	19,350,491	35,830,309	470,712	12.9%
Hellman & Friedman Capital Partners VII	Buyout	Buyout - Large	2011	20,000,000	19,114,361	59,948,054	3,799,709	24.7%
Hellman & Friedman Capital Partners VIII	Buyout	Buyout - Large	2016	20,000,000	19,816,526	10,048,435	27,958,258	18.8%
Hellman & Friedman Capital Partners X	Buyout	Buyout - Large	2021	40,000,000	21,803,826	-	20,216,574	n.m.
Hg Genesis 10 A	Buyout	Buyout - Large	2022	39,182,400	-	-	-	n.m.
Hg Genesis 9	Buyout	Buyout - Medium	2020	19,295,500	10,326,991	2,847,455	9,075,723	26.3%
Hg Saturn 3 A	Buyout	Buyout - Large	2022	40,000,000	-	-	(132,222)	n.m.
HgCapital Saturn Fund 2	Buyout	Buyout - Large	2020	20,000,000	12,009,588	5,903,962	10,428,846	40.4%
High Road Capital Partners Fund II	Buyout	Buyout - Small	2013	25,000,000	20,611,373	21,095,304	16,286,008	14.6%
Hony Capital Fund V	Buyout	Buyout - Large	2011	25,000,000	26,124,286	7,053,617	12,881,240	-3.9%
ICG Strategic Equity Fund IV	Other	Secondaries	2021	50,000,000	21,483,574	2,632,430	26,307,398	n.m.
Incline Equity Partners IV	Buyout	Buyout - Small	2017	10,000,000	9,587,866	6,795,570	9,683,860	27.3%
Insight Venture Partners IX	Growth Equity	Growth Equity	2015	25,000,000	26,387,482	25,852,814	72,262,855	29.4%
Insight Venture Partners VIII	Growth Equity	Growth Equity	2013	20,000,000	19,892,344	43,625,939	17,636,800	21.1%

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Fund	Strategy	Sub-Strategy	Vintage Year	USD Commitment	USD ITD Contributions	USD ITD Distributions	USD Fair Market Value	Net IRR
Institutional Venture Partners XV	Venture Capital	Venture - Late Stage	2015	20,000,000	20,120,007	34,807,652	32,745,255	31.0%
J.H. Whitney VII	Buyout	Buyout - Medium	2010	25,000,000	24,667,457	26,409,583	15,445,623	10.3%
Kelso Investment Associates VII	Buyout	Buyout - Medium	2003	18,000,000	17,131,163	29,092,678	28,900	12.5%
Kelso Investment Associates VIII	Buyout	Buyout - Medium	2007	20,000,000	19,002,679	27,187,340	974,703	7.4%
Khosla Ventures IV	Venture Capital	Venture - Early Stage	2011	20,000,000	19,620,000	54,973,512	33,467,262	25.0%
KKR 2006 Fund	Buyout	Buyout - Large	2006	30,000,000	30,219,403	53,322,510	2,728,383	9.2%
KKR European Fund II	Buyout	Buyout - Large	2005	15,000,000	15,497,844	20,962,595	106,669	4.7%
KPS Special Situations Fund IV	Buyout	Buyout - Medium	2014	25,000,000	21,396,936	22,230,327	19,063,024	24.1%
KPS Special Situations Fund V	Buyout	Buyout - Medium	2020	40,000,000	22,827,472	1,139,251	30,316,014	37.4%
KPS Special Situations Mid-Cap Fund	Buyout	Buyout - Medium	2019	10,000,000	5,419,690	726,161	6,481,264	24.0%
L2 Point Opportunities I	Credit/Distressed	Mezzanine	2022	30,000,000	10,426,202	(60,727)	10,298,224	n.m.
Levine Leichtman Capital Partners III	Buyout	Buyout - Medium	2003	20,000,000	21,392,254	33,337,694	(3,563)	10.0%
Levine Leichtman Capital Partners IV	Buyout	Buyout - Medium	2008	20,000,000	16,448,126	28,973,102	1,788,072	17.6%
Levine Leichtman Capital Partners V	Buyout	Buyout - Medium	2013	30,000,000	31,262,417	46,980,155	22,727,859	17.7%
LightBay Investment Partners II	Buyout	Buyout - Small	2022	25,000,000	-	-	(274,618)	n.m.
Lindsay Goldberg III	Buyout	Buyout - Large	2008	20,000,000	19,279,960	26,172,046	42,028	8.1%
Longitude Venture Partners III	Venture Capital	Venture - Late Stage	2016	10,000,000	9,918,958	9,183,489	7,596,006	22.6%
MBK Partners Fund V	Buyout	Buyout - Large	2021	40,000,000	12,760,060	483,831	13,124,151	10.9%
Menlo Ventures IX	Venture Capital	Venture - Multi-Stage	2001	20,000,000	20,000,000	20,254,444	451,058	0.6%
Mill Point Capital Partners	Buyout	Buyout - Small	2017	10,000,000	9,967,997	4,140,361	15,404,781	27.8%
Mill Point Capital Partners II	Buyout	Buyout - Medium	2021	11,000,000	1,422,109	-	1,437,112	1.4%

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Montagu VI	Buyout	Buyout - Medium	2020	40,301,363	21,435,147	8,021,507	12,353,277	-7.6%
Nautic Partners V	Buyout	Buyout - Medium	2000	15,000,000	14,375,199	29,661,391	1,223,588	17.0%
NEA 18 Venture Growth Equity	Growth Equity	Growth Equity	2022	35,000,000	8,662,500	-	5,772,735	n.m.
New Enterprise Associates 13	Venture Capital	Venture - Multi-Stage	2009	15,000,000	15,000,000	35,837,620	3,402,331	16.9%
New Enterprise Associates 15	Venture Capital	Venture - Multi-Stage	2015	20,000,000	18,900,000	15,620,057	21,373,119	14.8%
New Enterprise Associates 16	Venture Capital	Venture - Multi-Stage	2017	25,000,000	22,750,000	3,261,239	28,585,277	11.8%
New Enterprise Associates 17	Venture Capital	Venture - Multi-Stage	2019	35,000,000	24,500,000	3,117,748	27,099,805	14.7%
New Enterprise Associates 18	Venture Capital	Venture - Multi-Stage	2022	40,000,000	4,300,000	-	3,667,184	n.m.
New Mountain Partners III	Buyout	Buyout - Large	2007	20,000,000	19,468,664	48,476,168	844,799	14.5%
New Water Capital	Buyout	Buyout - Small	2015	10,000,000	9,814,587	11,009,389	4,290,584	14.7%
NewBridge Asia IV	Buyout	Buyout - Medium	2005	10,000,000	9,846,880	21,902,222	37,106	16.8%
NGP Natural Resources XI	Natural Resources	Energy	2014	25,000,000	24,932,441	12,825,439	23,616,258	9.4%
NMS Fund III	Buyout	Buyout - Small	2017	10,000,000	8,641,803	2,718,436	12,555,951	29.5%
NMS Fund IV	Buyout	Buyout - Medium	2020	40,000,000	11,026,448	2,687,354	10,191,515	25.2%
Nordic Capital Fund XI	Buyout	Buyout - Large	2022	47,663,400	-	-	-	n.m.
Nordic Capital V	Buyout	Buyout - Medium	2003	14,043,460	14,312,613	42,509,152	51,502	20.8%
Oak HC-FT Partners	Venture Capital	Venture - Late Stage	2014	10,000,000	9,663,325	18,585,354	21,606,695	33.3%
Oak HC-FT Partners II	Venture Capital	Venture - Late Stage	2017	10,000,000	9,850,023	4,422,049	25,987,154	49.1%
Oak HC-FT Partners III	Venture Capital	Venture - Multi-Stage	2019	25,000,000	23,625,343	2,246,982	39,631,739	42.0%
Oak HC-FT Partners IV	Venture Capital	Venture - Multi-Stage	2021	40,000,000	26,794,151	163,684	29,767,664	16.0%
Oak HC-FT Partners V	Venture Capital	Venture - Multi-Stage	2022	50,000,000	-	-	-	n.m.

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Fund	Strategy	Sub-Strategy	Vintage Year	USD Commitment	USD ITD Contributions	USD ITD Distributions	USD Fair Market Value	Net IRR
Oak Investment Partners XII	Venture Capital	Venture - Multi-Stage	2006	15,000,000	14,999,762	13,311,363	702,365	-1.1%
Oaktree Opportunities Fund X	Credit/Distressed	Distressed	2015	7,500,000	6,225,000	4,056,699	5,872,116	11.3%
Oaktree Opportunities Fund Xb	Credit/Distressed	Distressed	2018	17,500,000	10,500,000	-	15,625,801	17.0%
OceanSound Partners Fund	Buyout	Buyout - Medium	2019	20,000,000	20,936,415	10,500,520	14,040,851	16.9%
OCM Opportunities Fund VII	Credit/Distressed	Distressed	2007	10,000,000	10,000,000	13,736,793	93,179	7.3%
OCM Opportunities Fund VIIIb	Credit/Distressed	Distressed	2008	10,000,000	9,000,000	15,579,685	4,676	16.5%
Onex Partners	Buyout	Buyout - Large	2003	20,000,000	19,048,408	58,437,674	83,730	38.4%
Orchid Asia VIII	Growth Equity	Growth Equity	2021	50,000,000	4,929,060	-	3,639,446	n.m.
P4G Capital Partners I	Buyout	Buyout - Small	2018	10,000,000	3,803,773	1,328	2,449,051	-43.5%
Palladium Equity Partners IV	Buyout	Buyout - Medium	2012	25,000,000	26,170,381	16,687,578	20,981,088	9.2%
Palladium Equity Partners V	Buyout	Buyout - Medium	2017	25,000,000	15,542,244	2,856,972	15,836,820	8.3%
Permira Europe III	Buyout	Buyout - Large	2003	21,506,160	21,573,836	36,899,715	96,294	26.1%
Pharos Capital Partners II-A	Buyout	Buyout - Medium	2004	5,000,000	5,000,000	3,192,707	2,507,833	1.6%
Platinum Equity Capital Partners III	Buyout	Buyout - Large	2011	25,000,000	19,963,233	41,152,564	5,626,921	31.1%
Platinum Equity Capital Partners IV	Buyout	Buyout - Large	2016	15,000,000	15,270,796	14,430,336	17,999,744	29.3%
Platinum Equity Capital Partners V	Buyout	Buyout - Large	2019	50,000,000	51,170,760	8,657,007	63,858,084	37.5%
Platinum Equity Small Cap Fund	Buyout	Buyout - Medium	2018	22,500,000	16,484,756	4,051,972	23,121,091	31.5%
Polaris Growth Fund	Growth Equity	Growth Equity	2018	10,000,000	3,500,000	3,514,286	7,917,090	63.8%
Polaris Partners VII	Venture Capital	Venture - Multi-Stage	2014	25,000,000	23,125,000	5,770,814	38,103,562	12.4%
Polaris Partners VIII	Venture Capital	Venture - Multi-Stage	2016	10,000,000	8,100,000	5,224,901	13,424,164	27.0%
Polaris Venture Partners V	Venture Capital	Venture - Multi-Stage	2006	15,000,000	14,700,000	19,542,036	8,968,798	8.8%

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Fund	Strategy	Sub-Strategy	Vintage Year	USD Commitment	USD ITD Contributions	USD ITD Distributions	USD Fair Market Value	Net IRR
Polaris Venture Partners VI	Venture Capital	Venture - Multi-Stage	2010	15,000,000	13,125,000	16,529,138	13,401,754	14.4%
Providence Debt Fund III	Credit/Distressed	Distressed	2013	30,000,000	32,098,772	31,849,280	10,106,417	6.5%
Providence Equity Partners V	Buyout	Buyout - Large	2005	18,000,000	16,415,595	20,374,892	88,469	3.2%
Providence Equity Partners VI	Buyout	Buyout - Large	2007	30,000,000	28,967,876	41,764,626	1,975,764	6.1%
Reverence Capital Partners Opportunities Fund V (PE III)	Buyout	Buyout - Medium	2022	50,000,000	10,377,201	-	10,033,357	n.m.
Roark Capital Partners II Side Car	Buyout	Buyout - Medium	2018	10,000,000	9,888,773	1,703,566	15,152,042	21.0%
Roark Capital Partners V	Buyout	Buyout - Large	2018	15,000,000	13,051,537	3,062,282	16,432,452	22.5%
Roark Capital Partners VI	Buyout	Buyout - Large	2021	40,000,000	8,264,399	313,507	9,180,725	13.4%
Samson Brunello 1	Buyout	Buyout - Large	2021	-	2,543,236	-	3,775,568	33.8%
Samson Hockey 1	Buyout	Buyout - Large	2020	-	3,380,241	1,104,330	5,247,648	56.6%
Samson Shield 1	Buyout	Buyout - Large	2020	-	11,373,473	2,125,231	10,762,339	10.1%
Searchlight Capital II	Buyout	Buyout - Medium	2015	25,000,000	21,746,038	31,612,305	12,417,903	23.8%
Spark Capital	Venture Capital	Venture - Early Stage	2005	9,000,000	8,820,000	11,937,038	436,590	8.2%
Spark Capital Growth Fund	Growth Equity	Growth Equity	2014	10,000,000	10,000,000	29,931,719	35,877,823	36.3%
Spark Capital Growth Fund II	Growth Equity	Growth Equity	2017	15,000,000	14,625,000	11,364,611	22,412,382	29.7%
Spark Capital Growth Fund III	Growth Equity	Growth Equity	2020	26,750,000	26,215,000	3,526,069	54,140,402	91.8%
Spark Capital Growth Fund IV	Growth Equity	Growth Equity	2021	33,340,000	5,001,000	-	4,541,188	n.m.
Spark Capital II	Venture Capital	Venture - Early Stage	2008	9,750,000	9,750,000	42,943,399	11,245,234	51.6%
Spark Capital III	Venture Capital	Venture - Early Stage	2011	10,000,000	10,000,000	17,195,128	33,759,087	32.0%
Spark Capital VI	Venture Capital	Venture - Early Stage	2020	13,250,000	9,341,250	-	10,147,356	7.2%
Spark Capital VII	Venture Capital	Venture - Early Stage	2021	16,660,000	3,332,000	-	3,164,384	n.m.

## CORE PORTFOLIO SUMMARY AS OF 6/30/2022- ACTIVE

Fund	Strategy	Sub-Strategy	Vintage Year	USD Commitment	USD ITD Contributions	USD ITD Distributions	USD Fair Market Value	Net IRR
Spire Capital Partners III	Buyout	Buyout - Small	2013	10,000,000	10,520,110	6,139,702	8,006,896	8.0%
Stellax Capital Partners II	Buyout	Buyout - Medium	2021	30,000,000	10,119,993	992	11,332,941	17.4%
StepStone Secondary Opportunities III	Other	Secondaries	2016	25,000,000	26,893,885	17,939,756	23,641,993	15.5%
Stripes III	Growth Equity	Growth Equity	2015	10,000,000	12,806,754	9,816,509	20,432,797	20.1%
Stripes IV	Growth Equity	Growth Equity	2017	10,000,000	13,376,556	5,817,067	35,882,901	52.0%
Sunstone Partners I	Growth Equity	Growth Equity	2015	7,500,000	7,142,203	5,307,044	13,007,349	37.2%
Sunstone Partners II	Growth Equity	Growth Equity	2020	10,000,000	5,258,051	-	6,502,397	45.3%
TA XI	Growth Equity	Growth Equity	2010	20,000,000	19,778,812	65,152,536	9,288,234	26.9%
TA XII-A	Growth Equity	Growth Equity	2016	25,000,000	25,017,785	42,204,182	31,046,500	39.3%
TA XIII-A	Growth Equity	Growth Equity	2019	35,000,000	32,777,705	12,390,205	41,941,905	44.6%
TA XIV-A	Growth Equity	Growth Equity	2021	60,000,000	16,200,000	-	14,556,984	n.m.
TCV IX	Growth Equity	Growth Equity	2016	10,000,000	7,938,000	7,558,919	8,187,151	21.8%
TCV VII	Growth Equity	Growth Equity	2008	20,000,000	19,745,900	61,402,597	1,087,322	23.3%
TCV VIII	Growth Equity	Growth Equity	2014	30,000,000	26,152,505	19,755,954	28,766,421	10.7%
TCV X	Growth Equity	Growth Equity	2019	25,000,000	18,763,324	-	35,202,890	31.9%
TCV XI	Growth Equity	Growth Equity	2021	40,000,000	16,966,545	-	17,214,426	1.6%
TCV XII	Growth Equity	Growth Equity	2022	60,000,000	-	-	-	n.m.
TCW Crescent Mezzanine Partners V	Credit/Distressed	Mezzanine	2007	10,000,000	9,625,012	13,257,347	35,593	9.7%
The Baring Asia Private Equity Fund VI, L.P. 1 Buyout		Buyout - Medium	2015	25,000,000	26,174,462	22,300,844	27,906,473	17.0%
The Baring Asia Private Equity Fund VII	Buyout	Buyout - Medium	2018	25,000,000	22,545,741	11,527,113	24,124,196	34.5%
Thoma Bravo Discover Fund II	Buyout	Buyout - Medium	2018	10,000,000	10,405,421	5,136,277	13,491,871	30.9%

## CORE PORTFOLIO SUMMARY AS OF 6/30/2022- ACTIVE

Fund	Strategy	Sub-Strategy	Vintage Year	USD Commitment	USD ITD Contributions	USD ITD Distributions	USD Fair Market Value	Net IRR
Thoma Bravo Discover Fund III	Buyout	Buyout - Medium	2020	20,000,000	16,625,886	259,587	17,542,831	8.8%
Thoma Bravo Discover Fund IV	Buyout	Buyout - Medium	2022	45,000,000	-	-	-	n.m.
Thoma Bravo Explore Fund	Buyout	Buyout - Small	2020	10,000,000	6,728,271	538,135	8,010,207	33.8%
Thoma Bravo Fund XI	Buyout	Buyout - Medium	2014	15,000,000	13,400,392	28,459,623	20,692,274	27.4%
Thoma Bravo Fund XII	Buyout	Buyout - Large	2016	25,000,000	26,347,700	14,940,202	36,286,048	16.9%
Thoma Bravo Fund XIII	Buyout	Buyout - Large	2018	30,000,000	34,947,516	17,476,302	42,721,560	37.4%
Thoma Bravo Fund XIV	Buyout	Buyout - Large	2021	30,000,000	28,243,272	7	27,332,576	-3.8%
Thoma Bravo Fund XV	Buyout	Buyout - Large	2022	80,000,000	13,279,426	-	13,090,722	n.m.
Thoma Bravo Special Opportunities Fund II	Buyout	Buyout - Medium	2015	10,000,000	9,200,691	9,691,127	11,581,171	17.1%
Threshold Ventures II	Venture Capital	Venture - Early Stage	2016	10,000,000	9,770,000	1,519,757	33,900,306	37.1%
TPG Growth II	Buyout	Buyout - Medium	2011	30,000,000	29,936,737	54,351,978	16,172,289	17.5%
TPG Partners IV	Buyout	Buyout - Large	2003	25,000,000	27,436,973	52,741,423	54,988	15.2%
TPG Partners V	Buyout	Buyout - Large	2006	30,000,000	31,415,182	42,679,767	91,933	4.8%
TPG Partners VI	Buyout	Buyout - Large	2008	22,500,000	24,691,367	35,543,356	1,307,928	9.5%
TPG Rise Climate	Growth Equity	Growth Equity	2021	50,000,000	4,716,626	-	3,905,453	n.m.
TPG STAR	Buyout	Buyout - Medium	2006	20,000,000	21,635,099	25,624,152	2,597,980	6.3%
Trident Capital Fund-VI	Buyout	Buyout - Medium	2005	8,500,000	8,500,000	11,600,511	2,429,232	5.1%
Ulu Ventures Fund III	Venture Capital	Venture - Early Stage	2020	10,000,000	5,500,000	-	5,462,648	-0.7%
Upfront VI	Venture Capital	Venture - Early Stage	2017	20,000,000	16,357,032	899,215	28,290,393	22.6%
VantagePoint Venture Partners IV	Venture Capital	Venture - Multi-Stage	2000	15,000,000	15,000,000	14,430,192	25,140	-0.5%
Vestar Capital Partners IV	Buyout	Buyout - Medium	1999	17,000,000	16,585,106	29,291,945	116,994	13.4%

## CORE PORTFOLIO SUMMARY AS OF 6/30/2022- ACTIVE

Fund	Strategy	Sub-Strategy	Vintage Year	USD Commitment	USD ITD Contributions	USD ITD Distributions	USD Fair Market Value	Net IRR
Vista Equity Partners Fund III	Buyout	Buyout - Medium	2007	25,000,000	23,280,656	60,189,165	1,620,394	26.6%
Vista Equity Partners Fund IV	Buyout	Buyout - Medium	2011	30,000,000	25,771,668	34,223,953	20,690,201	14.7%
Vista Equity Partners Fund V	Buyout	Buyout - Medium	2014	40,000,000	40,557,468	44,894,927	54,367,197	20.2%
Vista Equity Partners Fund VI	Buyout	Buyout - Large	2016	30,000,000	37,160,713	30,585,448	41,910,843	20.2%
Vista Equity Partners Fund VII	Buyout	Buyout - Large	2018	40,000,000	29,485,716	314,350	40,209,811	17.0%
Vista Foundation Fund II	Buyout	Buyout - Medium	2013	10,000,000	9,236,150	14,865,860	5,964,261	16.0%
Vista Foundation Fund III	Buyout	Buyout - Medium	2016	10,000,000	11,169,915	10,781,524	10,956,690	26.1%
Vista Foundation Fund IV	Buyout	Buyout - Medium	2020	30,000,000	16,992,725	5,779	16,750,152	-1.7%
Vitruvian Investment Partnership IV	Buyout	Buyout - Medium	2020	39,119,924	22,736,714	-	24,298,348	18.0%
Wynnchurch Capital Partners IV	Buyout	Buyout - Medium	2015	10,000,000	9,668,491	9,007,300	14,078,403	29.1%
Yucaipa American Alliance Fund II	Buyout	Buyout - Medium	2008	20,000,000	20,160,070	22,156,981	15,660,578	7.9%
<b>LACERS - Active Core</b>				<b>6,253,678,869</b>	<b>4,341,357,368</b>	<b>3,816,894,372</b>	<b>3,737,767,728</b>	<b>14.8%</b>
<b>LACERS Core</b>				<b>7,114,003,483</b>	<b>5,179,050,034</b>	<b>5,111,747,010</b>	<b>3,737,767,728</b>	<b>13.0%</b>

## CORE PORTFOLIO SUMMARY AS OF 6/30/2022 - LIQUIDATED

Fund	Strategy	Sub-Strategy	Vintage Year	USD Commitment	USD ITD Contributions	USD ITD Distributions	USD Fair Market Value	Net IRR
ACON-Bastion Partners II	Buyout	Buyout - Medium	2006	5,000,000	4,721,150	8,209,699	-	12.3%
Alchemy Plan (City of Angels)	Buyout	Buyout - Medium	1999	38,194,245	40,196,637	50,322,714	-	5.7%
Austin Ventures VII	Venture Capital	Venture - Multi-Stage	1999	17,000,000	17,000,000	13,726,439	-	-2.8%
Austin Ventures VIII	Venture Capital	Venture - Multi-Stage	2001	8,300,000	8,300,000	13,730,002	-	6.8%
Avenue Europe Special Situations Fund II	Credit/Distressed	Distressed	2011	28,323,908	28,305,005	32,200,618	-	3.5%
Avenue Special Situations Fund IV	Credit/Distressed	Distressed	2006	10,000,000	10,000,000	13,828,999	-	8.3%
Avenue Special Situations Fund V	Credit/Distressed	Distressed	2007	10,000,000	9,950,262	13,312,819	-	11.5%
Carlyle Partners IV	Buyout	Buyout - Large	2005	20,000,000	19,634,189	39,897,415	-	13.0%
CGW Southeast Partners III	Buyout	Buyout - Small	1996	8,680,144	8,680,144	14,736,448	-	9.2%
CGW Southeast Partners IV	Buyout	Buyout - Medium	1999	10,000,000	8,707,914	13,398,877	-	8.3%
Charterhouse Capital Partners VIII	Buyout	Buyout - Large	2006	19,869,483	19,656,305	18,895,820	-	-0.6%
Chisholm Partners IV	Buyout	Buyout - Small	1999	9,000,000	8,841,055	9,376,669	-	0.7%
CHS Private Equity V	Buyout	Buyout - Medium	2005	20,000,000	20,145,530	35,432,176	-	9.9%
CVC European Equity Partners	Buyout	Buyout - Large	1996	10,000,000	9,686,071	24,345,254	-	23.2%
CVC European Equity Partners II	Buyout	Buyout - Large	1998	9,218,055	9,212,371	22,076,376	-	18.9%
Enhanced Equity Fund	Buyout	Buyout - Small	2006	10,000,000	10,000,000	10,776,209	-	1.1%
Enhanced Equity Fund II	Buyout	Buyout - Small	2010	10,000,000	9,570,165	5,253,831	-	-21.7%
First Reserve Fund X	Natural Resources	Energy	2004	20,000,000	20,000,000	36,552,322	-	31.0%
Golder, Thoma, Cressey, Rauner Fund V	Buyout	Buyout - Medium	1997	10,000,000	10,000,000	18,226,074	-	11.0%
GTCR Fund IX-A	Buyout	Buyout - Medium	2006	15,000,000	14,288,203	25,808,785	-	13.8%
GTCR Fund VI	Buyout	Buyout - Medium	1998	10,000,000	10,000,000	8,890,791	-	-3.8%

## CORE PORTFOLIO SUMMARY AS OF 6/30/2022 - LIQUIDATED

Fund	Strategy	Sub-Strategy	Vintage Year	USD Commitment	USD ITD Contributions	USD ITD Distributions	USD Fair Market Value	Net IRR
GTCR Fund VII	Buyout	Buyout - Medium	2000	18,750,000	18,609,375	43,841,047	-	21.8%
GTCR Fund VII-A	Buyout	Buyout - Medium	2001	6,250,000	4,140,625	11,565,815	-	83.1%
Hellman & Friedman Capital Partners V	Buyout	Buyout - Large	2004	10,463,972	9,931,388	26,659,657	-	27.8%
Highbridge Principal Strategies Senior Loan II Credit/Distressed		Distressed	2010	50,000,000	40,883,273	47,651,965	-	7.9%
InterWest VI	Venture Capital	Venture - Early Stage	1996	5,000,000	5,000,000	14,858,749	-	49.0%
J.H. Whitney IV	Buyout	Buyout - Medium	1999	22,448,463	22,448,463	9,422,111	-	-10.9%
J.H. Whitney V	Buyout	Buyout - Medium	2000	9,957,358	11,558,159	22,375,756	-	23.3%
J.H. Whitney VI	Buyout	Buyout - Medium	2005	15,000,000	14,884,557	14,590,780	-	-0.4%
Kelso Investment Associates VI	Buyout	Buyout - Medium	1998	4,309,418	4,309,418	5,982,794	-	9.3%
KKR 1996 Fund	Buyout	Buyout - Large	1997	25,000,000	26,194,438	46,838,314	-	13.2%
Lindsay Goldberg & Bessemer II	Buyout	Buyout - Large	2006	20,000,000	18,913,523	27,078,474	-	7.1%
Madison Dearborn Capital Partners III	Buyout	Buyout - Medium	1999	16,000,000	16,000,000	24,398,778	-	8.6%
Madison Dearborn Capital Partners IV	Buyout	Buyout - Medium	2000	25,000,000	25,199,114	48,054,335	-	14.1%
Menlo Ventures VII	Venture Capital	Venture - Multi-Stage	1997	5,000,000	5,000,000	23,552,033	-	135.8%
Menlo Ventures VIII	Venture Capital	Venture - Multi-Stage	1999	18,000,000	18,000,000	8,980,234	-	-8.9%
OCM Opportunities Fund	Credit/Distressed	Distressed	1995	11,000,000	10,972,896	18,030,431	-	10.3%
OCM Opportunities Fund II	Credit/Distressed	Distressed	1997	11,000,000	11,000,000	16,628,641	-	8.4%
OCM Opportunities Fund III	Credit/Distressed	Distressed	1999	10,000,000	10,000,000	15,072,658	-	11.9%
OCM Opportunities Fund IV	Credit/Distressed	Distressed	2001	10,000,000	10,000,000	16,503,319	-	28.4%
OCM Opportunities Fund V	Credit/Distressed	Distressed	2004	7,100,000	7,100,000	11,703,269	-	14.1%
Olympus Growth Fund IV	Buyout	Buyout - Medium	2003	7,700,000	7,660,045	11,831,606	-	8.5%

## CORE PORTFOLIO SUMMARY AS OF 6/30/2022 - LIQUIDATED

Fund	Strategy	Sub-Strategy	Vintage Year	USD Commitment	USD ITD Contributions	USD ITD Distributions	USD Fair Market Value	Net IRR
Permira Europe IV	Buyout	Buyout - Large	2006	14,935,115	14,921,731	24,111,899	-	8.6%
Providence TMT Debt Opportunity Fund II	Credit/Distressed	Distressed	2010	20,000,000	16,319,772	25,893,666	-	10.4%
Richland Ventures III	Venture Capital	Venture - Late Stage	1999	18,000,000	18,000,000	15,261,276	-	-3.0%
SSG Capital Partners II	Credit/Distressed	Distressed	2012	15,914,286	15,287,483	17,803,371	-	4.1%
TA X	Growth Equity	Growth Equity	2006	6,000,000	6,186,689	8,025,046	-	5.2%
TCV V	Venture Capital	Venture - Multi-Stage	2004	19,500,000	19,334,250	35,783,445	-	10.6%
TCW Crescent Mezzanine Partners IV	Credit/Distressed	Mezzanine	2006	10,000,000	8,712,805	9,998,443	-	2.9%
The Resolute Fund	Buyout	Buyout - Medium	2002	20,000,000	18,978,049	48,217,383	-	17.0%
Thoma Cressey Fund VI	Buyout	Buyout - Medium	1998	5,000,000	4,845,000	4,995,064	-	0.4%
Thomas H. Lee Equity Fund V	Buyout	Buyout - Medium	2000	15,000,000	15,260,867	26,333,190	-	14.2%
Tibbar Holdings, LLC (FKA TH Lee IV)	Buyout	Buyout - Medium	1998	7,000,000	6,314,197	5,484,109	-	-2.6%
TPG Partners III	Buyout	Buyout - Large	1999	25,000,000	22,442,286	56,580,977	-	24.4%
Trident Capital Fund-V	Buyout	Buyout - Medium	2000	10,587,999	10,627,045	17,742,590	-	7.7%
Trident Capital Fund-V (Secondary)	Buyout	Buyout - Medium	2000	3,781,680	3,374,683	6,480,167	-	12.1%
Welsh, Carson, Anderson & Stowe IX	Buyout	Buyout - Medium	2000	15,000,000	14,850,000	24,680,230	-	11.2%
Welsh, Carson, Anderson & Stowe VII	Buyout	Buyout - Medium	1995	15,000,000	15,000,000	32,633,357	-	17.7%
Welsh, Carson, Anderson & Stowe VIII	Buyout	Buyout - Medium	1998	15,000,000	15,000,000	19,322,526	-	3.1%
Weston Presidio Capital IV	Growth Equity	Growth Equity	2000	15,000,000	14,764,721	17,365,533	-	3.0%
Weston Presidio Capital IV (Secondary)	Growth Equity	Growth Equity	2000	3,040,488	2,772,810	3,521,264	-	5.2%
<b>LACERS - Liquidated Core</b>				<b>860,324,614</b>	<b>837,692,665</b>	<b>1,294,852,638</b>	<b>-</b>	<b>10.4%</b>
<b>LACERS Core</b>				<b>7,114,003,483</b>	<b>5,179,050,034</b>	<b>5,111,747,010</b>	<b>3,737,767,728</b>	<b>13.0%</b>

## SPECIALIZED PORTFOLIO SUMMARY AS OF 6/30/2022 - ACTIVE

Fund	Strategy	Sub-Strategy	Vintage Year	USD Commitment	USD ITD Contributions	USD ITD Distributions	USD Fair Market Value	Net IRR
Angeleno Investors III	Venture Capital	Venture - Late Stage	2009	10,000,000	10,686,144	1,290,117	9,085,692	-0.4%
DFJ Frontier Fund II	Venture Capital	Venture - Early Stage	2007	5,000,000	5,002,783	1,790,549	4,761,154	3.0%
Element Partners Fund II	Venture Capital	Venture - Late Stage	2008	10,000,000	9,361,465	12,922,426	1,026,709	5.9%
NGEN III	Venture Capital	Venture - Multi-Stage	2008	10,000,000	11,306,926	5,757,073	2,861,978	-3.6%
Palladium Equity Partners III	Buyout	Buyout - Medium	2004	10,000,000	9,916,579	17,807,911	22,860	11.2%
Saybrook Corporate Opportunity Fund	Credit/Distressed	Distressed	2007	6,192,814	6,321,092	9,096,851	539,732	9.7%
St. Cloud Capital Partners II	Credit/Distressed	Mezzanine	2007	5,000,000	4,989,085	4,177,572	48,129	-3.9%
StarVest Partners II	Venture Capital	Venture - Late Stage	2007	5,000,000	4,965,849	2,508,899	1,510,535	-2.6%
Sterling Venture Partners II*	Venture Capital	Venture - Late Stage	2005	8,000,000	8,006,256	9,948,152	-	3.1%
Vicente Capital Partners Growth Equity Fund	Growth Equity	Growth Equity	2007	10,000,000	10,093,708	13,998,549	104,941	5.7%
Yucaipa American Alliance Fund I	Buyout	Buyout - Medium	2002	10,000,000	10,000,000	12,451,100	71,344	3.8%
<b>LACERS - Active Specialized</b>				<b>89,192,814</b>	<b>90,649,885</b>	<b>91,749,199</b>	<b>20,033,074</b>	<b>3.4%</b>
<b>LACERS Specialized</b>				<b>191,261,668</b>	<b>189,047,369</b>	<b>193,432,642</b>	<b>20,033,074</b>	<b>2.0%</b>

\*Q2 Valuation unavailable due to pending final distribution (Q3 2022); FMV not expected to be material.

## SPECIALIZED PORTFOLIO SUMMARY AS OF 6/30/2022 - LIQUIDATED

Fund	Strategy	Sub-Strategy	Vintage Year	USD Commitment	USD ITD Contributions	USD ITD Distributions	USD Fair Market Value	Net IRR
Ares Special Situations Fund	Credit/Distressed	Distressed	2008	10,000,000	10,166,166	17,497,244	-	13.1%
Carpenter Community BancFund-A	Buyout	Buyout - Small	2008	10,000,000	9,692,231	16,376,097	-	8.2%
Craton Equity Investors I	Growth Equity	Growth Equity	2006	10,000,000	9,951,989	1,067,621	-	-32.7%
DFJ Element	Venture Capital	Venture - Multi-Stage	2006	8,000,000	7,846,106	5,764,976	-	-3.4%
NGEN Partners II	Venture Capital	Venture - Multi-Stage	2005	7,750,702	7,750,702	515,126	-	-49.0%
Nogales Investors Fund II	Buyout	Buyout - Medium	2006	4,100,000	3,603,436	398,586	-	-24.1%
Reliant Equity Partners	Buyout	Buyout - Small	2002	7,920,417	8,008,449	55,772	-	-100.0%
Rustic Canyon/Fontis Partners	Growth Equity	Growth Equity	2005	5,000,000	3,671,248	2,552,846	-	-5.0%
Sector Performance Fund	Buyout	Buyout - Medium	2007	9,297,735	9,502,443	8,466,553	-	-2.9%
Spire Capital Partners II	Buyout	Buyout - Small	2006	10,000,000	9,025,654	17,699,807	-	15.6%
StepStone Pioneer Capital I	Other	Fund of Funds	2004	10,000,000	9,751,911	13,033,359	-	5.1%
StepStone Pioneer Capital II	Other	Fund of Funds	2006	10,000,000	9,427,148	18,255,456	-	9.1%
<b>Liquidated</b>				<b>102,068,854</b>	<b>98,397,484</b>	<b>101,683,443</b>	<b>-</b>	<b>0.5%</b>
<b>LACERS Specialized</b>				<b>191,261,668</b>	<b>189,047,369</b>	<b>193,432,642</b>	<b>20,033,074</b>	<b>2.0%</b>



**REPORT TO BOARD OF ADMINISTRATION**

**From: Investment Committee**  
Elizabeth Lee, Chair  
Nilza R. Serrano  
Janna Sidley

**MEETING: JANUARY 10, 2023**  
**ITEM: VIII - C**

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**SUBJECT: CONTRACT WITH INSTITUTIONAL SHAREHOLDER SERVICES INC. REGARDING PROXY VOTING SERVICES AND POSSIBLE BOARD ACTION**

ACTION:  CLOSED:  CONSENT:  RECEIVE & FILE:

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**Recommendation**

That the Board:

1. Approve a five-year contract renewal with Institutional Shareholder Services Inc. for proxy voting services.
2. Authorize the General Manager to approve and execute the necessary documents, subject to satisfactory business and legal terms.

**Executive Summary**

On December 13, 2022, the Committee considered a staff recommendation to renew the contract with Institutional Shareholder Services Inc. (ISS) for a period of five years. The Board hired ISS for proxy voting services in 1985, and the current contract expires February 28, 2023. Staff and NEPC, LLC (NEPC), LACERS' General Fund Consultant and ESG Consultant, recommend a five-year contract renewal. During the next contract period, staff will bring forth a recommendation to the Board to issue a Request for Information (RFI), Request for Proposal (RFP), or Request for Qualifications (RFQ) to reevaluate the marketplace of proxy voting service providers.

**Discussion**

On December 13, 2022, the Committee considered the attached staff report (Attachment 1) recommending a five-year contract renewal with ISS. Since 1985, LACERS has contracted with ISS for proxy voting services for LACERS' U.S. and non-U.S. public equity holdings. On July 8, 2014, the Board authorized an RFI for proxy voting services to evaluate the current marketplace of providers. On December 23, 2014, the Board retained ISS as LACERS' proxy voting service provider based on staff's

analysis of the RFI responses. A new contract with ISS became effective on March 1, 2015 and was subsequently renewed by the Board for a five-year term on January 23, 2018; the current contract with ISS expires on February 28, 2023. Staff indicated that ISS has provided LACERS with a satisfactory level of service and has agreed to maintain fees at \$71,910 annually for the next contract term. The Committee concurred with staff and NEPC's recommendation to renew the contract for five years and expressed a preference to issue an RFP over an RFI or RFQ during the next contract period.

### **Strategic Plan Impact Statement**

A contract renewal with ISS is consistent with Goal V (uphold good governance practices which affirm transparency, accountability, and fiduciary duty).

Prepared By: Ellen Chen, ESG Risk Officer, Investment Officer II, Investment Division

NMG/RJ/BF/EC:jp

Attachments:   1. Investment Committee Recommendation Report dated December 13, 2022  
                  2. Proposed Resolution



**REPORT TO INVESTMENT COMMITTEE**  
**From: Neil M. Guglielmo, General Manager**

**MEETING: DECEMBER 13, 2022**  
**ITEM: V**

*Neil M. Guglielmo*

**SUBJECT: CONTRACT WITH INSTITUTIONAL SHAREHOLDER SERVICES INC. REGARDING PROXY VOTING SERVICES AND POSSIBLE COMMITTEE ACTION**

ACTION:  CLOSED:  CONSENT:  RECEIVE & FILE:

**Recommendation**

That the Committee recommend to the Board a five-year contract renewal with Institutional Shareholder Services Inc. for proxy voting services.

**Executive Summary**

Institutional Shareholder Services Inc. (ISS) provides bespoke proxy voting services to LACERS. The current contract with ISS expires on February 28, 2023. Staff and NEPC, LLC, (NEPC), LACERS' General Fund Consultant and ESG Consultant, recommend a five-year contract renewal. During the next contract period, staff will bring forth a recommendation to issue a Request for Information (RFI), Request for Proposal (RFP), or Request for Qualifications (RFQ) to reevaluate the marketplace of proxy voting service providers.

**Discussion**

*Background*

Since 1985, LACERS has contracted with ISS for proxy voting services for LACERS' U.S. and non-U.S. public equity holdings. Services include:

- Research reports and analyses on ballot items to be voted on at shareholder meetings;
- Management of proxy guidelines and implementation of custom vote recommendations according to the LACERS Proxy Voting Policy (Policy);
- Assistance with Policy development and revisions; and,
- Access to an electronic platform for voting proxy ballots and reviewing ISS' research reports.

On July 8, 2014, the Board authorized an RFI for proxy voting services to evaluate the current marketplace of providers. After reviewing the responses to the RFI, staff concluded that ISS offered the most comprehensive proxy voting services at the lowest cost. On December 23, 2014, the Board determined that conducting a separate RFP would not be practical or advantageous based on staff's analysis of the RFI responses and retained ISS as LACERS' proxy voting service provider. A new contract with ISS became effective on March 1, 2015 and was subsequently renewed by the Board for

a five-year term on January 23, 2018; the current contract with ISS expires on February 28, 2023. Staff recommends renewing the contract with ISS for another five-year term. During the next contract period, staff will bring forth a recommendation to issue an RFI, RFP, or RFQ for the Board's consideration to reevaluate the marketplace of proxy voting service providers, consistent with LACERS' contracting practices.

*Organization*

ISS is a provider of corporate governance and investment solutions to public pension plans and other investors. ISS has more than 2,600 employees located across 29 offices in 15 countries; the company is headquartered in Rockville, Maryland.

In February 2021, Deutsche Börse AG, an international securities exchange organization and market infrastructure provider, acquired a majority stake of approximately 80% in ISS, with the remaining stake in the firm owned by Genstar Capital, a private equity firm, and ISS management. ISS continues to operate with the same editorial independence that was in place prior to the acquisition. Deutsche Börse has committed to protecting the integrity of ISS' research and recommendations and non-interference policies have been created between the two companies. There have been no changes to ISS' executive management team as a result of the acquisition; Gary Retelny, Chief Executive Officer of ISS since 2011, continues to lead the company.

*Analysis*

ISS is one of the largest and longest tenured proxy voting agents. The company has over 35 years of proxy voting experience, provides comprehensive coverage of 115 global markets, and services approximately 3,400 clients. ISS has substantial global resources available to service LACERS' proxy voting needs, including in-house research staff and a proprietary electronic research and voting platform. Staff's interaction with the firm has been satisfactory and the client service representatives and research analysts have been attentive to staff's needs.

*Fees*

ISS has agreed to continue the current contractual fee of \$71,910 annually for the next five-year term considering LACERS' long-standing relationship as detailed in the following table. In addition, ISS will continue to waive any overage charges (variable charges for exceeding LACERS' contractual threshold of votes cast) throughout the duration of the contract.

<b>One-Year Period</b>	<b>Fee</b>
March 1, 2023 to February 28, 2024	\$71,910
March 1, 2024 to February 29, 2025	\$71,910
March 1, 2025 to February 28, 2026	\$71,910
March 1, 2026 to February 28, 2027	\$71,910
March 1, 2027 to February 28, 2028	\$71,910
Total fees for next five years:	\$359,550

Based on the last RFI conducted, the fees LACERS pays to ISS are well below market rate for the services provided. From March 1, 2015 (effective date of the current contract) to October 31, 2022, LACERS paid ISS total fees of \$569,288.

*General Fund Consultant Recommendation*

NEPC, LACERS' General Fund and ESG Consultant, concurs with this recommendation.

**Strategic Plan Impact Statement**

A contract renewal with Institutional Shareholder Services, Inc. is consistent with Goal V (uphold good governance practices which affirm transparency, accountability, and fiduciary duty).

Prepared by: Ellen Chen, ESG Risk Officer, Investment Officer II, Investment Division.

RJ/BF/EC:rm

Attachment: 1. Consultant Recommendation – NEPC, LLC



**To: Los Angeles City Employees' Retirement System**

**From: NEPC, LLC**

**Date: November 30, 2022**

**Subject: Institutional Shareholder Services Contract Renewal**

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### **Recommendation**

NEPC recommends Los Angeles City Employees' Retirement System ('LACERS') renew their contract with Institutional Shareholder Services ('ISS') for a period of five years from the date of contract expiry.

### **Background**

LACERS has used ISS since 1985 as a proxy voting agent. ISS votes proxies for LACERS in accordance with applicable statutes and consistent with the Board Proxy Voting Policy found in section IX of the Fund's Investment Policy Statement. The Proxy Voting Policy supports the foundational elements of being a long-term asset owner by seeking to align the interests of the Fund as an investor in global capital markets across (but not limited to) governance and management issues, ESG, financial process and audit standards, executive compensation, shareholder rights, capital structure and corporate restructuring. Proxy votes cast by ISS are monitored by LACERS staff and reported to the Board annually. Investment staff relies on research expertise and voting recommendations of its proxy voting agent when LACERS' Proxy Voting Policy is either silent or not directly applicable to the issue as stated on the proxy ballot.

### **Firm Overview**

Institutional Shareholder Services group of companies (ISS) was founded in 1985 to aid investors and companies in building long-term and sustainable growth by providing data, analytics and insight. ISS is majority owned by Deutsche Bourse Group, along with Genstar Capital and ISS management. ISS provides corporate governance and responsible investment solutions, market intelligence, fund services, and editorial content to institutional investors and corporations, globally. ISS has 2,600 employees worldwide across 29 global locations in 15 countries. ISS has approximately 3,400 clients.

CONTRACT RENEWAL  
INSTITUTIONAL SHAREHOLDER SERVICES INC.  
PROXY VOTING SERVICES

PROPOSED RESOLUTION

WHEREAS, LACERS' current five-year contract with Institutional Shareholder Services Inc. (ISS) for proxy voting services expires on February 28, 2023; and,

WHEREAS, a contract renewal with ISS will allow LACERS to uphold good governance practices by managing and exercising LACERS' proxy voting rights; and,

WHEREAS, on December 13, 2022, the Investment Committee considered and concurred with a staff recommendation for a five-year contract renewal with ISS; and

WHEREAS, on January 10, 2023, the Board approved the Investment Committee's recommendation for a five-year contract renewal with ISS.

NOW, THEREFORE, BE IT RESOLVED, that the General Manager is hereby authorized to approve and execute a contract subject to satisfactory business and legal terms and consistent with the following services and terms:

<u>Company Name:</u>	Institutional Shareholder Services Inc.
<u>Service Provided:</u>	Proxy Voting Services
<u>Effective Dates:</u>	March 1, 2023 through February 28, 2028
<u>Duration:</u>	Five years
<u>Annual Fee:</u>	\$71,910

January 10, 2023